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STRATEGIC PLANNING WITHIN AIR FORCE MATERIEL COMMAND: A FOCUS ON EXTERNAL STAKEHOLDERS' INVOLVEMENT

THESIS

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STRATEGIC PLANNING WITHIN AIR FORCE MATERIEL COMMAND: A FOCUS ON EXTERNAL STAKEHOLDERS' INVOLVEMENT

THESIS

Presented to the Faculty of the Graduate School
of Logistics and Acquisition Management
of the Air Force Institute of Technology
Air Education and Training Command
In Partial Fulfillment of the
Requirements for the Degree of
Master of Science in Logistics Management

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September 1994

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Acknowledgments

We would like to thank our advisors, Lt Col Wayne Stone and Major T. Scott Graham, for their guidance and support during this research effort. Also, special thanks to Mr. John Glaser from AFMC/XPV for sponsoring our thesis and helping us contact AFMC's strategic planners. We appreciate the help of Mr. Bill Paulus, AFMC/XRE, who helped to arrange several of the interviews. Thanks also to Jonna Hamrick for all the transcribing and typing support. We are indebted to all those who participated in the interviews. They provided invaluable information for our study.

Finally, we owe deep gratitude to our families, friends and classmates of 94-S for the love and support during this entire process. We wouldn't have made it without them.

David B. Coomer

Mary E. Moynihan

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Abstract

This research study used case and cross-case analyses to determine what Air Force Materiel Command can learn from leading business practices to produce maximum stakeholder involvement in their strategic planning process. A literature review revealed five "essential elements" of stakeholder involvement: establishment of communication processes for multiple stakeholders, appropriate interaction policies, active CEO involvement, measurement processes, and balanced stakeholder strategies. These elements were incorporated into a model to provide a benchmark against which to evaluate AFMC's stakeholder awareness programs.

The six stakeholder awareness programs selected for study were identified through a process of structured and unstructured interviews with AFMC's senior-level strategic planners. The process owners of each program were interviewed to establish the use and existence of the five essential elements in their respective programs. Overall, no major changes are needed to increase stakeholder input in AFMC's strategic planning process. The essential elements of stakeholder involvement are present in the reviewed stakeholder awareness programs and enhance the command's ability to solicit stakeholder input.

STRATEGIC PLANNING WITHIN AIR FORCE MATERIEL COMMAND: A FOCUS ON EXTERNAL STAKEHOLDERS' INVOLVEMENT

I. Introduction

Background

Strategic planning is a process organizations use to prepare for the future. Through this process organizations establish a vision and develop long-range objectives which help provide guidance for steering the organization through turbulent times (Mintzberg, 1987:25). Nowhere is this need more evident than in organizations undergoing significant change. One such organization is the United States Air Force (USAF).

The recent downfall of the Soviet Union and current economic conditions in the United States (US) have produced a projected reduction in US defense spending of approximately forty-two percent between 1985 and 1997 (Correll, 1993:4). Latest projected Department of Defense (DoD) outlays, as a percentage of US gross domestic product, are expected to fall from the 1986 high of 6.5 percent to 3.0 percent by 1999 (Mehuron, 1994:37). This tremendous reduction in defense spending has led to the current downsizing of American military forces which is expected to continue through the end of the 1990s.

In light of DoD's downsizing efforts, USAF leaders have opted to maintain readiness at the expense of the size of forces (Correll, 1994:12). In fact, USAF active-duty end strength is projected to decline to 390,000 by 1999, down from a level of some 608,000 during the peak Cold War in 1986 (Dundney, 1994:11). As USAF active-duty end strength falls, so too will its presence at home and abroad. Expect to "see more base closures as USAF slims down from the 205 wings it had in fiscal year '88 to around 100 active and 50 Guard and Reserve wings by 1995" (Graham, 1993:7).

The decrease in Congressional funding associated with base closures and downsizing efforts will certainly place tremendous pressure on both personnel and infrastructure. Thus, the USAF faces a difficult challenge in its struggle to maintain its current level of readiness in what Air Force Chief of Staff, General Merrill A. McPeak, has declared the "Year of Readiness" (Correll, 1994:12). General McPeak has said "we will continue to insist that whatever size Air Force we have, it is ready to fight, and that it will have the right modernization programs in place" (Correll, 1994:12).

General Issue

In order for the USAF to maintain its high readiness rates, it must continue to exhibit the flexibility to adjust to changing operational demands and political pressures.

One method to help accomplish this task is comprehensive strategic planning. This planning must address the changes in operations required to maintain USAF readiness over the long term.

The organization which serves as the "mainstay" of USAF readiness is Air Force Materiel Command (AFMC). AFMC is responsible for the management of USAF's research, development, test, acquisition, and sustainment of weapon systems. AFMC's customers, or external stakeholders, include USAF's operational, warfighting major commands (MAJCOMs). Thus, it is imperative that AFMC's strategic planning system incorporate programs which provide its customers (or external stakeholders) an avenue to submit valuable and continuous input into the strategic planning process.

Specific Problem

As downsizing efforts place more and more pressure on USAF infrastructure, there is concern that the operational, warfighting MAJCOMs may begin to experience serious problems in the acquisition, reliability, maintainability, and supportability arenas (Grier, 1994:20-24). Therefore, there must be a strong link or relationship between AFMC, as a provider of services and material, and USAF's operational, warfighting MAJCOMs, as users or consumers of those services and materials. One method to accomplish this relationship

is through active stakeholder awareness programs. Thus, AFMC's stakeholder awareness programs must be structured to incorporate maximum external stakeholder involvement in its strategic planning process. That led to the following research and investigative questions.

Research Question

> What lessons can Air Force Materiel Command learn from leading business practices that produce maximum stakeholder involvement in strategic planning?

Investigative Questions

The purpose of this research was to identify the "essential elements" necessary to produce maximum stakeholder involvement in a strategic planning program, to determine if AFMC's current stakeholder awareness programs exhibit these characteristics, and to recommend changes for improvement. This generated the following three investigative questions:

1. What are the "essential elements" necessary to establish maximum stakeholder involvement in a firm's strategic planning process?
2. Does Air Force Materiel Command incorporate these "essential elements" of stakeholder involvement in its current stakeholder awareness programs?
3. What changes should be made to increase stakeholder involvement in Air Force Materiel Command's strategic planning process?

Question one resulted in the development of a model which identified the "essential elements" necessary to generate maximum stakeholder involvement in a strategic planning process. This model is introduced in Chapter II and was based on a comprehensive review of literature on strategic planning, stakeholder management, and stakeholder involvement. Question two addressed two issues. First, it required the identification of AFMC's current stakeholder awareness programs and a description of their purposes. This was accomplished through the use of structured and unstructured field interviews with senior-level AFMC strategic planners. Second, it required a comparison of those programs to the model introduced in Chapter II. Findings from those comparisons served to answer both question two and three and are presented in Chapter IV and V, respectively. Specific methodology issues are addressed in Chapter III.

Scope, Limitations and Benefits of this Research Effort

Although this research effort presents a model which can be used to evaluate the existence or nonexistence of the "essential elements" of stakeholder involvement in any firm's strategic planning process, this particular study only evaluated stakeholder awareness programs identified in use in AFMC. More specifically, only programs which facilitate customer (or external stakeholder) involvement in

AFMC's strategic planning program. Although relationships between AFMC and other MAJCOMs were discussed, this study did not address the opinions of members of organizations other than AFMC. However, this research was expected to provide new insight and benefits in the strategic planning arena. Further, it was hoped that the findings and recommendations presented here would provide a foundation for future research, and a greater appreciation for stakeholder awareness and involvement in military strategic planning circles.

Summary

This chapter identified the purpose of this research effort. Investigative questions were developed to focus the study on the importance of stakeholders in a firm's strategic planning process; more specifically, on the effectiveness of stakeholder awareness programs which address the needs of Air Force Materiel Command's customers (or external stakeholders), such as USAF's operational, warfighting MAJCOMs. The remaining chapters were guided by the investigative questions. The next chapter, Chapter II (Review of Literature), introduces strategic planning, stakeholder management, stakeholder involvement, AFMC's current strategic planning process, and answers the first investigative question through the development of a model of the "essential elements" of stakeholder involvement.

Chapter III (Methodology) discusses the methodology used to gather the data required to answer the second and third investigative questions. Chapters IV (Findings & Analysis) and V (Conclusion & Recommendations) answer the second and third investigative questions, draw conclusions, and make recommendations based on the application of the methodology presented in Chapter III.

II. Review of Literature

Overview

This review of literature will discuss the purpose of strategy, strategic planning, and stakeholder management. It describes Air Force Materiel Command's (AFMC) current strategic planning process and introduces the function of stakeholders in this process. Stakeholders are defined, as well as the reasons for the movement towards more stakeholder involvement in strategic planning. This chapter concludes with the introduction of a model of the "essential elements" of stakeholder involvement. This stakeholder involvement model or SIM is crucial to the success of this research. The development of the model answers the first investigative question and, serves as the benchmark against which AFMC's stakeholder awareness programs will be measured in order to answer the second and third investigative questions.

Strategy

Strategy is the term used to describe how a business will accomplish its mission. It's the selected path taken to be competitive in the marketplace. A strategy is always needed when the potential actions or responses of intelligent opponents can seriously affect the endeavor's desired outcome (Mintzberg and Quinn, 1991:6).

The ancient Chinese philosopher Sun Tzu reflected on the importance of strategy in his writings, The Art of War:

> When your strategy is deep and far-reaching, then what you gain by your calculation is much, so you can win before you even fight. When your strategic thinking is shallow and nearsighted, then what you gain by your calculations is little, so you lose before you do battle. Much strategy prevails over little strategy, so those with no strategy cannot but be defeated. Therefore it is said that victorious warriors win first and then go to war, while defeated warriors go to war first and then seek to win. (Cleary, 1988:56)

Even though Sun Tzu wrote about the necessity of strategy in a military battle, his writings can also be applied to the business environment.

Henry Mintzberg proposed four reasons why organizations need strategies. They are to:

1. Set direction. Organizations need strategy to set direction for themselves and to outsmart competitors, or at least enable themselves to maneuver through threatening environments (Mintzberg, 1987:25). The organization sets the pace of the firm based on the its capabilities and the actions of competitors.

2. Focus Effort. Strategy is needed to focus effort and promote coordination of activity (Mintzberg, 1987:26). Strategy provides a common purpose to all members of the firm so that they work for that same purpose.

3. Define the Organization. Strategy serves not only to direct the attention of the people working within the organization, but also to give the organization meaning for them as well as outsiders (Mintzberg, 1987:27). In this sense, strategy defines the organization's reason for being. It tells customers, shareholders, employees why the firm is in business and what the firm can do for them.

4. Provide Consistency. Strategy reduces uncertainty, provides consistency, and promotes efficiency (Mintzberg, 1987:29). Strategy gives structure to the organization and outlines the function of the firm and its employees.

A business establishes its strategy to capitalize on the strengths of its firm and the weaknesses of its competitors. This strategy provides the stability the firm must have to continue its presence in the business environment and to remain competitive.

Strategic Planning

Strategic planning is a process which organizations use to prepare for the future and is the foundation for establishing the organization's competitive strategy. It is the plan organizations follow to keep or gain a competitive edge in their industry. Strategic planning involves the analysis of the firm's environment, its present competitive

strategy, and the establishment of vision and mission statements which define the firm's quest for success. Peter Drucker calls this:

> a continuous process of making present entrepreneurial (risk-taking) decisions systematically and with the greatest knowledge of their futurity; organizing systematically the efforts needed to carry out these decisions; and measuring the results of these decisions against the expectations thorough organized, systematic feedback. (Drucker, 1973:125)

This planning is constantly updated to reflect the firm's environment, it's competitive processes, and does not avoid risk-taking. At times a firm must take a chance and try new business methods. In the 1990's "strategic planning is no longer a luxury - - it's a necessity for organizations that want to survive and prosper" (French, 1993:37-38).

Strategic Planning in Government. Strategic planning in government agencies is slightly different than in private firms. Government agencies are affected by periodic leadership turnover, separation of power and checks and balances, and the lack of a profit motive (Moskow, 1978:27-31). Leadership can change every four years with the election of a new president who may have different goals and objectives than the previous administration. A plan set up in one administration may not survive to reach its fruition. Moskow believes that in the corporate world, managers have a longer relationship with the firm, and often the present Chief Executive Officer (CEO) chooses and grooms his successor (Moskow, 1978:32).

The Constitution of the United States created a set of checks and balances which does not allow the President to solely enact his own policies; all policies must be approved by Congress. Plans must be continually reviewed and are often overly politicized. Congressional disapproval and critical public opinion can end a program before progress can be made.

Finally, the major difference between government agencies and private firms is the lack of a profit motive. There is no "bottom line" with which to evaluate the success of programs. A program can be ruled a success or failure based on its acceptance by the public or by lobbyists. Though there are difficulties in the implementation of strategic planning in government, "better planning leads to more rational decision making and better government policies and programs" (Moskow, 1978:58).

The Government Performance and Results Act. Public Law No 103-62, the Government Performance and Results Act of 1993, was enacted to "improve the efficiency and effectiveness of Federal programs by establishing a system to set goals for program performance and to measure results" (Senate Report No 103-58, 1993:328). The law should streamline the strategic planning process in the United States government. The Act establishes requirements for Federal agencies to develop strategic plans, performance plans, and performance measures. The former Director of the

Office of Management and Budget (OMB), Leo Panetta, described the Act as:

> a major step toward making the government accountable to the American people by making it clear what the taxpayers are getting for their money and removing some of the red tape that bedevils all of us. As every other enterprise has learned, government officials must manage for results, not just rules and regulations. This accountability both empowers and rewards those who improve performance. The Act provides us with a sound foundation as we go about the task of re-inventing our government... (Senate Report No 103-58, 1993:329)

According to the Government Performance and Results Act, strategic plans for government agencies must include a detailed mission statement, and lay out the long-term goals and resources required to meet the goals. The performance plans will show what annual performance goals need to be accomplished at each level in order for the next higher level to meet its own goals. They should also describe the measures and the means to verify and validate their values (Senate Report No 103-58, 1993:341). Finally, the annual performance reports will review the progress of the agency in meeting its goals. These reports will provide the feedback to all managers, policy makers and the public on what was actually accomplished by the agency over the past year (Senate Report No 103-58, 1993:342). Although requirements of the Act will not be enforced until 1998, there are many government agencies which have already established a strategic planning process to guide their progress toward the future. One of these agencies is AFMC.

AFMC Strategic Planning

In AFMC's latest command brochure, Toward New Horizons, strategic planning is defined as "the process used to assess the future and guide the Command toward performing its mission as part of the Air Force vision" (AFMC/XPX, 1993:14). AFMC's mission statement establishes the Command's role in the overall Air Force mission:

> Through integrated management of research, development, test, acquisition, and support we advance and use technology to acquire and sustain superior systems in partnership with our customers and suppliers. We perform continuous product and process improvement throughout the life cycle. As an integral part of the Air Force War Fighting Team, we contribute to affordable combat superiority, readiness, and sustainability. (AFMC/XPX, 1993:2)

The Command has established five goals to support their mission statement:

1 Satisfy our customers' needs...in war and peace.
2. Enable our people to excel.
3. Sustain technological superiority.
4. Enhance the excellence of our business practices.
5. Operate quality installations.
(AFMC/XPX, 1993:3)

The actual planning occurs at different levels within the Command, as shown in Figure 1.

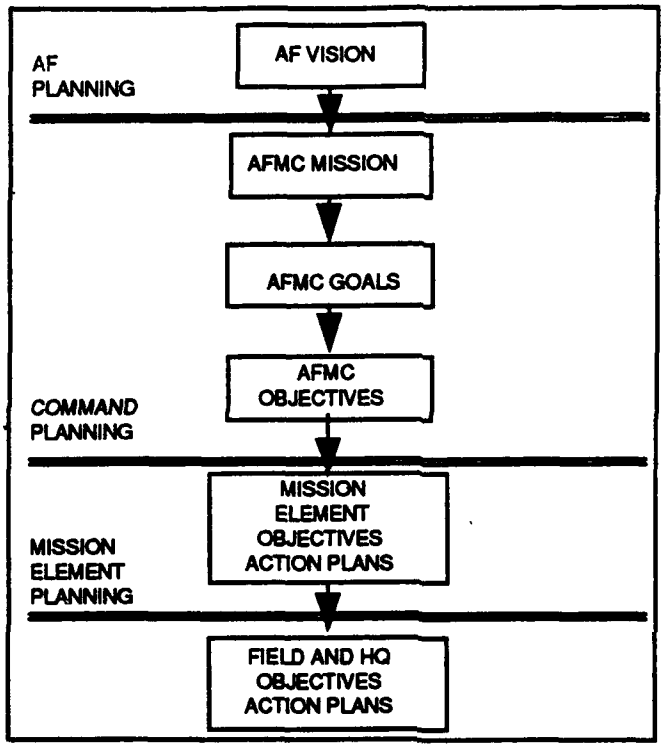

Figure 1. AFMC's Strategic Planning Philosophy (AFMCR 500-2, 1993:3)

Command Planning. In the Command Planning phase, senior leaders from the field and headquarters develop a mission statement, goals, command objectives, and command metrics (measures of performance). This phase incorporates a stakeholders' review session in which various stakeholders provide their inputs into AFMC's strategic plan. A corporate review of the command planning phase takes place quarterly during the HORIZON Conference. A HORIZON Conference is a two-day, strategic planning review session. All the commanders and directors of major AFMC programs meet with the Commander of AFMC to evaluate progress in meeting goals and objectives and propose changes to the strategic

plan. Figure 2 details the process flow of the Command Planning phase.

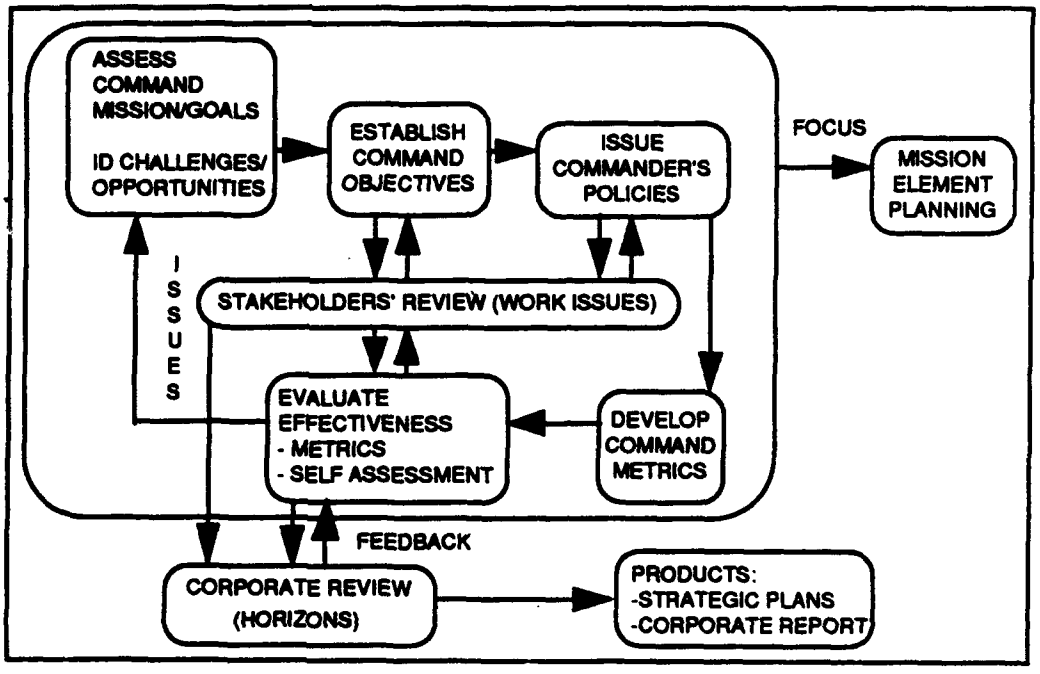

Figure 2. Command Planning Process
(AFMCR 500-2:1993,4)

Mission Element Planning. During the next phase, the AFMC mission is addressed in segments called mission elements (AFMC/XPX, 1993:14). Mission elements represent the major activities of AFMC: Product Management (acquisition), Support & Industrial Operations (logistics), Science & Technology, Test & Evaluation, and Base Operating Support. Four types of centers support the mission element activities. The Logistics Centers provide depot-level maintenance and life cycle support for weapons systems,

vehicles, and communications-electronics systems. Product Centers develop and acquire systems such as aircraft, spacecraft, electronics, and missiles. The Test Centers evaluate and test defense weapons systems and Specialized Centers focus on basic research, cataloging and standardization, metrology, security assistance, and retired weapons systems (AFMC/PA, 1994:24,34). Figure 3 illustrates the breakout of the mission elements and the supporting centers.

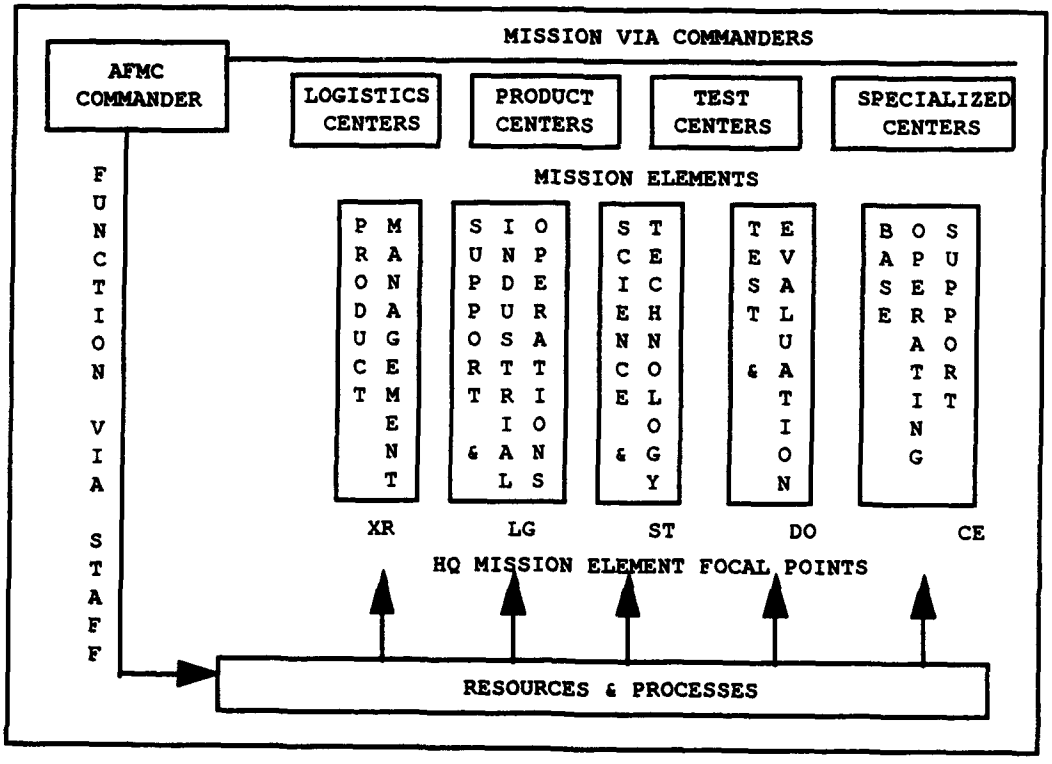

Figure 3. Mission Element Framework
(AFMCR 500-2, 1993:1)

Each element has its own strategic planning corporate board to establish mission element objectives and action plans necessary to support the Command's mission and goals. Mission Element Planning also incorporates a Stakeholders' Review process to ensure that stakeholders receive appropriate support from the mission element boards. Once a year, the director of each Mission Element Board submits a report on the board's effectiveness in supporting the Command's goals to key AFMC leaders at one of the quarterly HORIZON Conferences. Figure 4 illustrates the Mission Element Planning process.

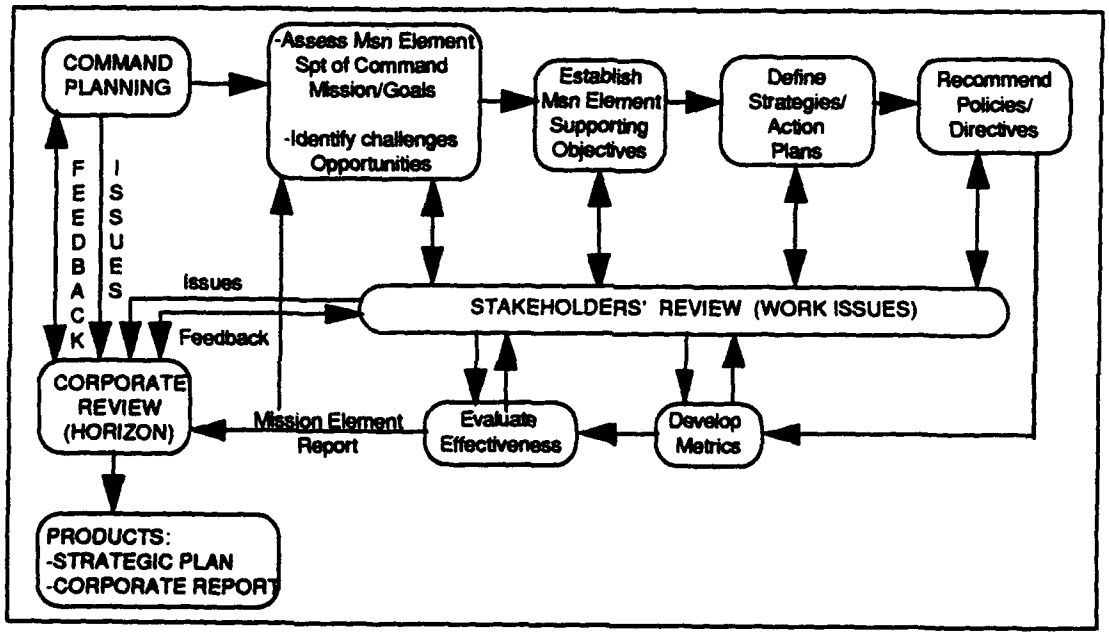

Figure 4. Mission Element Planning
(AFMCR 500-2, 1993:5)

Through this iterative process, Command and Mission Element Planning produces a strategic plan which incorporates both Command and Mission Element guidance. The Command's progress in meeting the goals and objectives in the strategic plan is reported each year in its Corporate Report (AFMC/XPX, 1993:14). This report is distributed throughout the Command and sent out to stakeholders and customers.

Stakeholder Involvement in AFMC. AFMC incorporates a Stakeholders' Review in both its Command Planning Phase and its Mission Element Planning Phase. The Stakeholders' Review establishes a link between AFMC, as a provider of materiel and services, and the operational MAJCOMS, the users of the materiel and services. The review process provides AFMC's customers, or stakeholders, an avenue to submit valuable and continuous input into the strategic planning process.

In order to ensure that a Stakeholders' Review program is integrated into the planning process correctly, it is important to understand the origin of the stakeholder awareness process.

Stakeholder Awareness

What is a Stakeholder? The term "stakeholder" first surfaced in 1963 in writings from the Stanford Research Institute (SRI). In those writings, stakeholders were

defined as "those groups without whose support the organization would cease to exist" (Freeman, 1984:31). The groups SRI referred to included shareholders, customers, employees, lenders, and society. Over twenty years later, Freeman further refined the SRI definition of a stakeholder as "any group or individual who can affect or is affected by the achievement of the firm's objectives" (Freeman, 1984:25). Figure 5 depicts the various categories of stakeholders Freeman considered important to a firm. This is called the firm's stakeholder map. He believed a firm would depend on these groups or individuals for the support necessary to continue successfully over the long term.

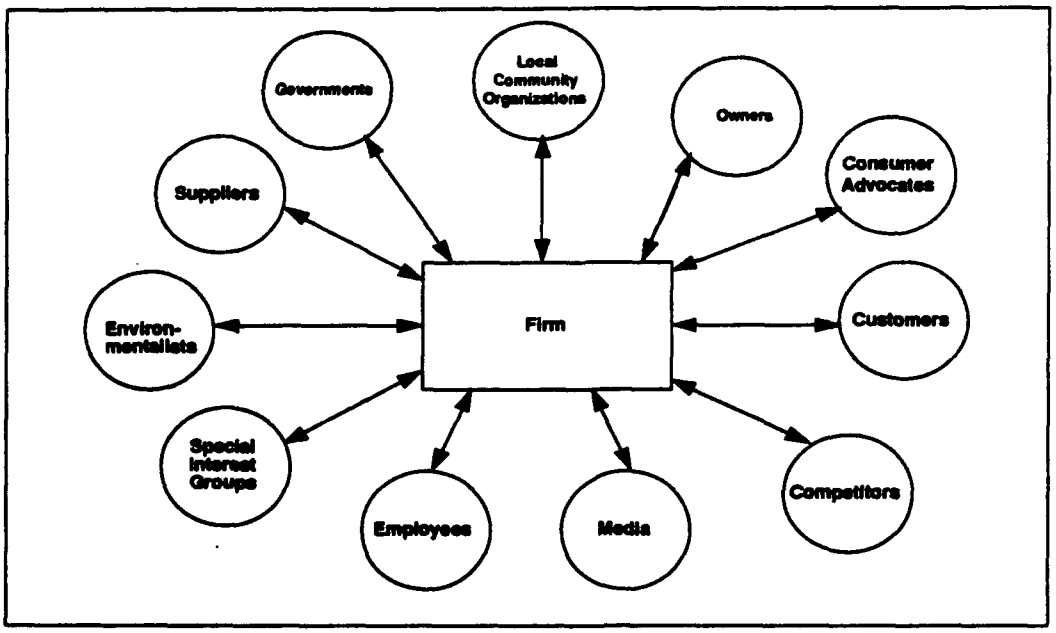

Figure 5. Stakeholder Map (Freeman, 1984:25)

Stakeholder Analysis. Once a firm has identified its stakeholders by drawing a stakeholder map, the firm must then conduct a stakeholder analysis. The stakeholder analysis is crucial to understanding the nature of the relationship between the organization and the stakeholder. Managers need to know if the firm is allocating resources properly, and if the firm has a flexible strategic plan to meet the needs of its various stakeholders (Chakravarthy and Lorange, 1991:17). If executives do not understand the needs and concerns of its stakeholder groups, "they will not be able to formulate the corporate objectives which would receive the necessary support for the continued survival of the firm" (Freeman, 1984:32).

Parameters. Managers that perform a complete stakeholder analysis will identify the firm's stakeholders, their stake in the firm, the stakeholders' criteria for analysis of the firm's progress, the power of each stakeholder, and in general, how important the various stakeholders are (Bryson, 1988:52; Hatten and Hatten, 1987:114-115). Figure 6 illustrates the stakeholder analysis process from which a firm can gain a better understanding of its stakeholders actions and power base.

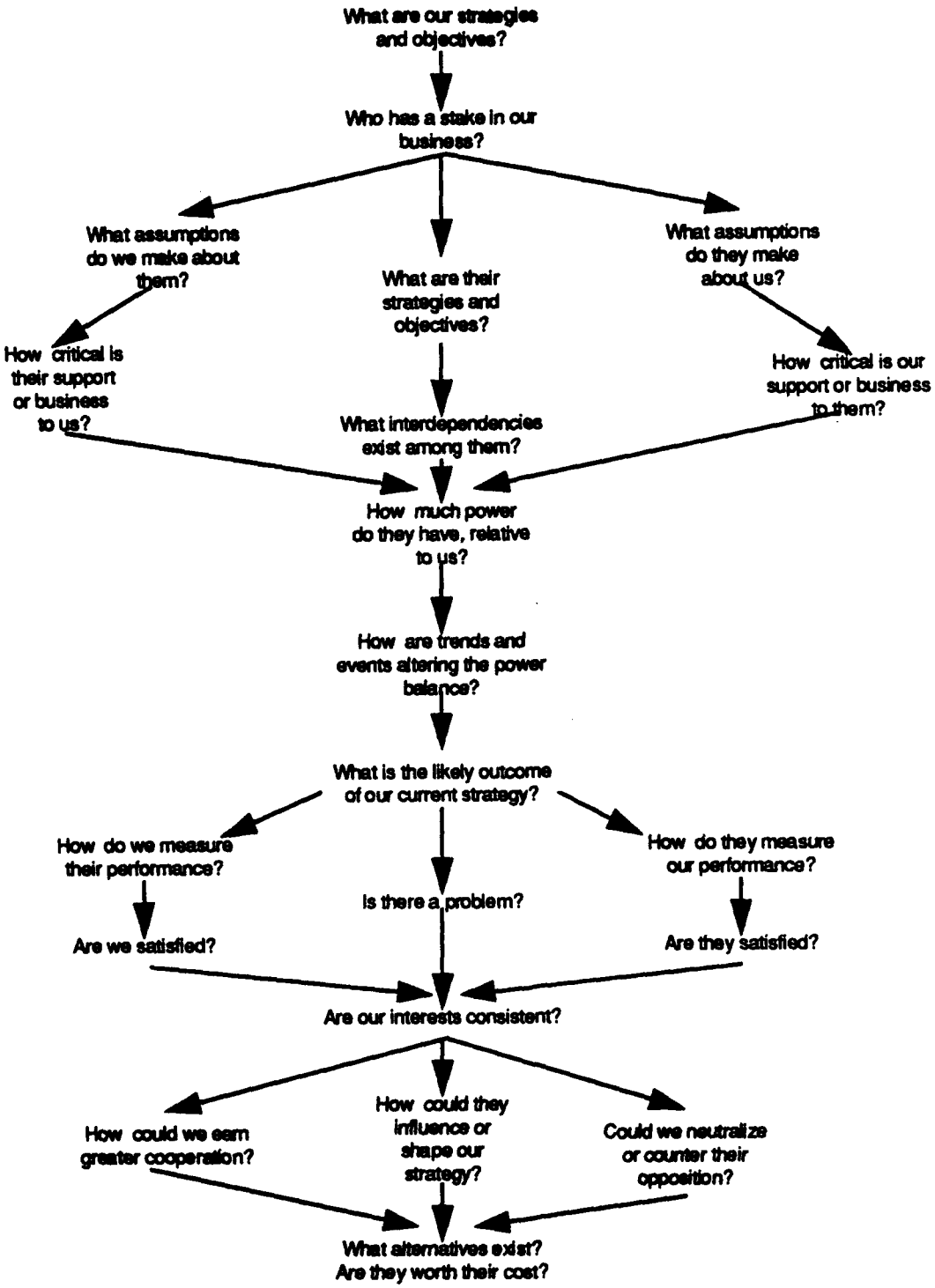

Figure 6. Stakeholder Analysis Process
(Hatten and Hatten, 1987:114)

Multiple-Constituency Approach

The Multiple-Constituency approach is very similar to stakeholder management. This approach aims at:

> achieving balances among the various parts of the system by satisfying the interests of the organization's constituency (all those individuals and groups of individuals who have a stake in the organization). (Gibson, Ivancevich, and Donnelly, 1994:37)

Managers who use this approach must determine which constituent has the strongest affect on the organization and how the constituent evaluates the organization's effectiveness. Table 1 illustrates the typical criteria certain constituents use to grade organizational effectiveness.

Table 1. Criteria Used to Grade Effectiveness (Robbins, 1990:66)

Constituency	Typical Criteria
Owners	Return on investment; growth in earnings
Employees	Compensation; fringe benefits; job satisfaction
Customers	Satisfaction with price, quality, service
Suppliers	Satisfaction with payments; future sales potential
Creditors	Ability to pay indebtedness
Unions	Competitive wages and benefits; willingness to bargain fairly
Local Community	Involvement of organization's members in local affairs; lack of damage to community's environment
Government Agencies	Compliance with laws; avoidance of penalties and reprimands

Operationalizing Multiple-Constituency Theory. A manager must ask several questions in order to deal with the organization's constituents: who are the constituents, what is their power/what do they want from the organization; how does the organization prioritize the needs of constituents; what is required for effective constituency effectiveness; and what strategies provide the greatest benefit for the most constituents (Robbins, 1990:65-67; Tate, Taylor, and Hoy, 1987:93-94). These questions are quite similar to question in the stakeholder analysis presented in Figure 6 on page 22.

Stakeholder Management

Once a firm has identified its stakeholders, it must design a strategy to manage the relationships between the firm and the stakeholders. Stakeholder management refers to the "necessity for an organization to manage the relationships with its specific stakeholder groups in an action-oriented way" (Freeman, 1984:53). Successful stakeholder management is founded in performance. If results and actions satisfy a firm's constituents, the constituents will continue to trust the firm's decisions and will strengthen their ties to the firm (Hatten and Hatten, 1987:119). Most successful firms have long-standing relationships with their stakeholders because the firm's actions have resulted in economic gains for their

stakeholders. "For stakeholders, the essence of the firm is coordinating changing stakeholder expectations and demands, which represent changing perceived stakeholder interests" (Wartick, 1994:116). A company with an effective stakeholder management program will be able to quickly react to economic, political, and social changes in the business environment.

A review of literature on stakeholder management reveals three steps which are important in establishing a stakeholder management program. First, the firm must know who their stakeholders are (Chakravarthy and Lorange, 1991:17; Freeman, 1984:53; Roberts and King, 1991:65). This is accomplished by drawing the stakeholder map shown in Figure 5 on page 20. Next, the firm must understand how each relationship fits into their stakeholder map. The firm has to know the power and stakes of the individual stakeholder and the impact the stakeholder can have on the firm (Freeman, 1984:56; Chakravarthy and Lorange, 1991:17; Roberts and King, 1991:68; Sturdivant, 1979:55). An organization gains this understanding by performing a stakeholder analysis, depicted in Figure 6 on page 22. Finally, the organization must ensure that relationships with stakeholders are manageable within the organization's structure. A firm may have a grand design for a stakeholder management program but this program may be too costly and not meet the needs of the firm or its stakeholders

(Chakravarthy and Lorange, 1991:17; Freeman, 1984:57; Roberts and King, 1991:68). Essentially, the firm must operate within its resources (Chakravarthy and Lorange, 1991:17, 4:53).

An organization which incorporates all three steps into its stakeholder management program should attain the ultimate goal of stakeholder management: "to anticipate how stakeholder groups may affect the organization and then how to avoid or prepare for the environmental jolts they can deliver" (Roberts, 1991:65). Figure 7 details the many questions a firm should ask itself to ensure that its stakeholder management program will provide positive results for both the firm and its stakeholders.

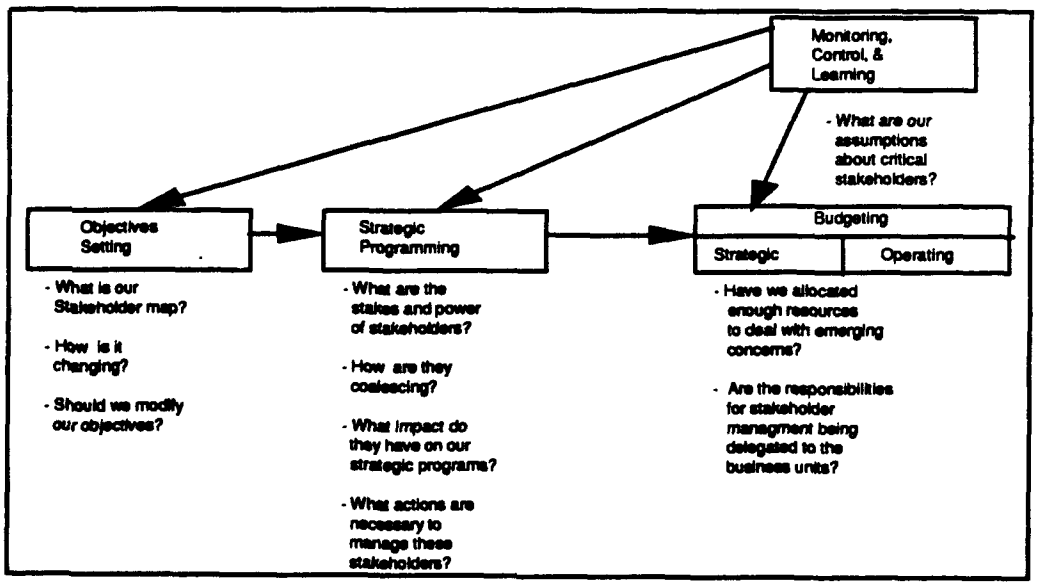

Figure 7. Stakeholder Management Process
(Chakravarthy and Lorange, 1991:18)

Balancing the Needs of Stakeholders and Constituents

The most difficult aspect in Stakeholder Management and the Multiple-Constituency Approach is balancing the needs and goals of the various stakeholders and constituents against the ability of the organization to reach these goals. In any given situation, an organization can have several stakeholders or constituents with conflicting goals. Robbins provides an example of different needs in the same situation.

> Goodyear Tire and Rubber might have strategic constituencies that include suppliers of critical petroleum products used in the tire manufacturing process; officers of the United Rubber Workers union; officials at banks where the company has sizable short-term loans; government regulatory agencies that grade tires and inspect facilities for safety violations; security analysts at major brokerage firms who specialize in the tire-and-rubber industry; regional tire jobbers and distributors; and purchasing agents responsible for the acquisition of tires at General Motors, Mack Truck, Caterpillar, and other vehicle manufacturers. (Robbins, 1990:65)

The constituents/stakeholders in the above example would grade the organization's ability to meet its needs with the criteria listed in Table 1 on page 23. Bryson describes the importance of meeting the criteria established by the stakeholders, not necessarily the criteria established by the organization.

> For external stakeholders in particular, these criteria typically relate to performance. If the organization cannot demonstrate its effectiveness against the stakeholders' criteria, then regardless of any inherent worth of the organization, stakeholders are likely to withdraw their support. (Bryson, 1988:55)

Problems. The manager must find the balance between these constituents and create a strategy which satisfies the needs of the most powerful stakeholder at that given point in time. It is important to remember that a constituent's power level can shift with time. Essentially, a successful manager "accurately weighs the relative value of diverse constituents' goals by their relevance to the organization's mission, assesses the true needs of the various constituent groups, and negotiates compromises" (Tate and others, 1987:84).

The Move to Stakeholder Involvement in Strategic Planning

Three forces have driven managers to consider stakeholder involvement in their firms. "First, the American economy has become increasingly service oriented" (Low, 1988:63). Huge manufacturing plants have given way to management groups, consulting agencies, and other client-related companies. Individuals are demanding more personalized service; they want to be involved in the design, production, and distribution of products. Managers now realize, more than ever before, they must pay attention to their stakeholder needs in order to succeed. They can no longer take their stakeholders for granted.

"Second, rapid technological change, and the globalization of markets mean short product life-cycles and the rapid erosion of competitive advantage" (Low, 1988:63).

Firms must maximize the potential of their products as quickly as possible. Many firms have restructured their relationships with suppliers, customers, shareholders, and their competitors. Long-term supply contracts, joint-ventures with competitors, and new financing polices have become the norm for many companies.

Finally, "government has found it harder and harder to pay for the physical and social infrastructure that fuels the private sector" (Low, 1988:63). Firms can no longer count on government subsidies to support customer-oriented programs. Now, they must maximize the return on investment and also ensure that their programs meet or exceed stakeholder expectations.

Essential Elements of Stakeholder Involvement

In the present business environment, many corporations are adopting a stakeholder management program in order to react to the pressures of political, social, and economic forces. Companies such as National Cash Register (NCR), Electronic Data Systems (EDS), Ford, International Business Machines (IBM), and General Motors (GM) have formed alliances with their suppliers, customers and employees in order to remain competitive (Kanter, 1990:19-20). These firms have programs which allow their stakeholders to make inputs into business decisions. A firm which can effectively incorporate the ideas and concerns of its

stakeholders will improve its standings in the business community.

Our literature search on the stakeholder concept revealed five "essential elements" which must be incorporated into any stakeholder awareness program. The use of these elements increases the firm's ability to involve its stakeholders in its strategic planning process. Freeman (Freeman, 1984:77) calls this level of involvement, "Stakeholder Management Capability". A firm which has a high level of Stakeholder Management Capability would model its stakeholder awareness program around the following essential elements:

1. Establishment of a communications process with multiple stakeholders. It is essential for the firm to maintain contact with all its stakeholders to improve chances of determining stakeholders perceptions and their probable strategies (Cleland, 1986:43). Stakeholder communication programs include customer hotlines, labor relation boards for employees, and political advisory boards. In today's business environment, "the biggest challenge is to really bring the voice of the customer into your company, so that customers are at every meeting in some way and that guidance comes from them when you are trying to make decisions" (Whitely, 1991:36). The company which can successfully integrate the thoughts and desires of its

stakeholders into its awareness programs will have a competitive edge over its rivals.

2. Appropriate Interaction Policies. A firm can be reactive, proactive, or interactive. By employing a reactive style, managers limit their ability to react to stakeholder requests. Managers who are exclusively reactive risk heavy costs in situations where the firm is allowed to drift into conflict with powerful stakeholders (Hatten, 1987:120-121). Proactive managers actively solicit stakeholders for inputs into their management system. They seek out ideas, problems, and suggestions from stakeholders to improve relationships with the firm's stakeholders. Proactive managers have choices about which stakeholder's interests to serve, whom to satisfy and whom to disappoint, and to what degree, and they can anticipate stakeholders' interests (Hatten and Hatten, 1987:120). Interactive managers influence the problem-solving process outcome of that process. They focus on the future needs of the stakeholder and guide the management process to benefit the needs of the stakeholder and the firm itself. Interactive managers are able to strike a balance between the stakeholder requirements and the ability of the firm to meet these new requirements.

3. Active CEO Involvement. The CEO is the guiding figure in developing the firm's stakeholder awareness programs. Freeman believes that the CEO must be involved in

the formation of the stakeholder analysis and strategy, and act as the corporate spokesman, be able to communicate the firm's strategy to its stakeholders (Freeman, 1984:215). A highly visible, believable and reliable CEO will enhance the firm's reputation in the eyes of its stakeholders. Also, the CEO's perception of an individual stakeholder's importance will impact the decision-making process of the firm. The CEO's preferences "are presumed to translate into organization responses to a variety of social, political, and economic issues of interest to the stakeholder" (Lerner, 1994:63).

4. Measurement Processes. Measurement is a way to continually adjust the plan to meet changing circumstances (Sandy, 1991:33). The firm must have some way of measuring their ability to meet stakeholders needs. Organizations use various methods such as, customer surveys, customer complaint forms, sales records, and other financial data to keep in touch with customer attitudes and concerns. The most important factor in the measurement process is to ensure that standards are not lowered to satisfy one stakeholder at the expense of other stakeholders (Hardy, 1991:80).

5. Balanced Stakeholder Strategies. Establishing a stakeholder strategy which balances the needs of multiple stakeholders is the most difficult element to manage in any stakeholder awareness program. Managers and professionals

must fully appreciate the potential impact that stakeholders can have (Cleland, 1986:43). Mitroff states:

> There is a network of interdependent relationships among all stakeholders. Some relationships are 'supporting' in that they provide movement toward the organization's purposes. Some relationships are 'resisting' in that they serve as barriers or encourage movement away from the organization's purposes. (Mitroff, 1983:37)

In order to balance the needs of multiple stakeholders, an organization can either look for commonalties among stakeholders and build programs to maximize benefits based on these common threads, or the organization can build separate programs for each stakeholder.

Firms which can successfully integrate these five elements into their stakeholder awareness programs should have a definite competitive edge over their competition. They will benefit from the positive effects which result from an aggressive stakeholder management capability. In addition, their strategic planning process will be much more productive over the long term.

Summary

Strategic planning is a process used to plan for the future by taking into account the events in history and the present situation. By creating a comprehensive strategic plan, managers can move their corporations into the forefront of industry and become highly profitable. Air Force Materiel Command wants to be the leader in weapons

systems procurement for the Department of Defense. In order to achieve this position, AFMC has established a strategic plan to guide its course in the future. AFMC's strategic plan incorporates a Stakeholders' Review process in its Command Planning and Mission Element Planning to ensure that its stakeholders have an avenue to provide inputs into AFMC's planning process.

By knowing and understanding the needs of their stakeholders, a firm can maintain a high customer base and customer satisfaction levels. Low believes:

> firms that have demonstrated a commitment to manage their affairs for the long-run benefit of all their stakeholders will find it much easier to obtain the support they need from their constituents in order to prepare for long-term competitiveness. (Low, 1991:64)

This chapter reviewed the importance of strategy and strategic planning in the business environment, and detailed the process used by AFMC to create its strategic plan. It also reviewed the literature available on stakeholder management. A model of the "essential elements" of any stakeholder awareness program was created to answer the first investigative question and to provide a benchmark against which to evaluate AFMC's stakeholder awareness programs. Effective stakeholder awareness programs should include the following five elements:

1. Establishment of a communication process for multiple stakeholders.
2. Appropriate interaction policies.
3. Active CEO involvement.

4. Measurement processes, and
5. Balanced stakeholder strategies.

This model served as the basis for the remainder of the study. The next chapter, Chapter III (Methodology), introduces the methodology used to answer the two remaining investigative questions. Using this methodology, AFMC's stakeholder awareness programs were evaluated to determine whether the five "essential elements" of stakeholder involvement were present.

III. Methodology

Overview

This chapter introduces the methodology used during this study. The methodology the researchers selected established the procedures used to answer the three investigative questions (IQs) initially presented in Chapter I:

IQ#1. What are the "essential elements" necessary to establish maximum stakeholder involvement in a firm's strategic planning process?

IQ#2. Does Air Force Materiel Command (AFMC) incorporate these "essential elements" of stakeholder involvement in its current stakeholder awareness programs?

IQ#3. What changes should be made to increase stakeholder involvement in AFMC's strategic planning process?

The model introduced in Chapter II answered the first investigative question and was based on a comprehensive review of literature. The model consists of five "essential elements" necessary to establish maximum stakeholder involvement in a firm's strategic planning process; the researchers call this model their "stakeholder involvement model," or SIM.

In order to answer the second and third investigative questions, the researchers first had to identify AFMC's current stakeholder awareness (SA) programs. This was accomplished through structured and unstructured interviews

with senior-level AFMC strategic planners using open-ended questioning. Following the identification of AFMC's SA programs, in-depth, structured interviews were conducted (as documented in Appendix C-H) with each program's process owner. Questions used during those interviews (presented in Appendix B) were constructed to identify: the purpose of each program; the program's stakeholders; the existence or nonexistence of each of the "essential elements" of the SIM; and problem areas and recommended improvements. Results from the in-depth interviews were then used to answer the second and third investigative questions and are presented in Chapters IV (Findings and Analysis) and V (Conclusions and Recommendations). The remainder of this chapter introduces critical issues of research design, data collection, qualitative interviews, and data analysis.

Research Design

Gay and Diehl (1992) advocate the classification of research by purpose and method. Classification by purpose relates to "the degree to which findings have direct business application and the degree to which those findings are generalizable to other situations" (Gay and Diehl, 1992:8). Classification by method "refers to the overall strategy followed in collecting and analyzing data" (Gay and Diehl, 1992:8). The next two sections describe the classification of research by purpose and method, followed

by the researcher's classification of this study based on their interpretation of the literature introduced.

Research by Purpose. The segregation of research by purpose produces two types: basic and applied research (Gay and Diehl, 1992:8). Basic research takes place in an academic or controlled environment and results in theory development, or refinement; applied research takes theory and applies it in the business environment in order to answer specific research questions (Gay and Diehl, 1992:9; Patton, 1990:150-154). Patton recognizes this segregation of research, but also describes three additional types: summative evaluation, formative evaluation, and action research (Patton, 1990:150-158).

Summative evaluations "study specific programs, policies, and products in order to generalize about the effectiveness of the human action under investigation so that it can be applied to other situations or places" (Patton, 1990:155). Formative evaluations "focus on programs, policies, groups, or products in order to improve those specific endeavors" (Patton, 1990:156). No attempt is made in formative evaluations to generalize the findings beyond the specific area under investigation. Action research is "less systematic, more informal, and even more specific to a particular problem, group of people, or organization for which the research is undertaken" (Patton, 1990:157). In action research, the individuals involved in

the endeavor typically contribute to the data collection and data analysis efforts.

As one moves down the research continuum, from basic research to action research, the purpose or focus of the study changes from one of "theory development and knowledge for its own sake to highly action-oriented research aimed at solving immediate problems in as short a time as possible" (Patton, 1990:158). Patton states:

> Basic and applied researchers publish in scholarly journals, where their audience is other researchers who will judge their contributions using disciplinary standards of rigor, validity, and theoretical import. In contrast, evaluators and action researchers publish reports for specific stakeholders who will use the results to make decisions, improve programs, and solve problems. (Patton, 1990:150)

A summary of Patton's classification of research by purpose is presented in Table 2, on the next two pages.

Research by Method. "Although there is sometimes a degree of overlap, most research studies represent a readily identifiable method, or strategy" (Gay and Diehl, 1992:12). In regard to classification of research by method, there are typically five different types: historical, descriptive, correlational, causal-comparative, and experimental research (Gay and Diehl, 1992:12-20).

"Historical research involves studying, understanding, and explaining past events" (Gay and Diehl, 1992:13).

Table 2. A Typology of Research Purposes (Patton, 1990:160-161)

Types of Research	Purpose	Focus of Research	Desired Results	Desired Level of Generalization	Key Assumptions	Publication Mode	Standard for Judging
Basic research	Knowledge as an end in itself; discover truth	Questions deemed important by one's discipline or personal intellectual interest	Contribution to theory	Across time and space (ideal)	The world is patterned: those patterns are knowable and explainable	Major refereed scholarly journals in one's discipline, scholarly books	Rigor of research, universality and verifiability of theory
Applied research	Understand the nature and sources of human and societal problems	Questions deemed important by society	Contributions to theories that can be used to formulate problem-solving programs and interventions	Within as general a time and space as possible, but clearly limited application context	Human and societal problems can be understood and solved with knowledge	Specialized academic journals, applied research journals within disciplines, interdisciplinary problem-focused journals	Rigor and theoretical insight into the problem
Summative evaluation	Determine effectiveness of human interventions and and actions (programs, policies, personnel, products)	Goals of intervention	Judgments and generalizations about effective types of interventions and the conditions under which those efforts are effective	All interventions with similar goals	What works one place under specified conditions should work elsewhere	Evaluation reports for program funders and policymakers, specialized journals	Generalizability to future efforts and to other programs and policy issues

Table 2 (continued).

Types of Research	Purpose	Focus of Research	Desired Results	Desired Level of Generalization	Key Assumptions	Publication Mode	Standard for Judging
Formative evaluation	Improving an intervention: a program, policy, organization, or product	Strengths and weaknesses of the specific program, policy, product, or being studied	Recommendations for improvements	Limited to specific setting studied	People can and will use information to improve what they're doing	Oral briefings; conferences; in-report; limited circulation to similar programs, other evaluators	Usefulness to and actual use by intended users in the setting studied
Action research	Solve problems in a program, organization, or community	Organization and community problems	Immediate action: solving problems as quickly as possible	Here and now	People in a setting can solve problems by studying themselves	Interpersonal interactions among research participants; informal, unpublished	Feelings about the process among research participants, feasibility of the solution generated

Descriptive research:

> involves collecting data in order to test hypotheses or answer questions concerning the current status of the subject of study. A descriptive study determines and reports things the way they are. Typical descriptive studies are concerned with the assessment of attitudes, opinions, demographic information, conditions, and procedures. Descriptive data are usually collected through a questionnaire survey, interviews, observation, or some combination of these methods. (Gay and Diehl, 1992:235)

"Correlational research attempts to determine whether, and to what degree, a relationship exists between two or more quantifiable variables" (Gay and Diehl, 1992:15). Research considered causal-comparative or experimental focuses on identifying the cause or contributing factor to certain outcomes; the difference between the two centers on whether the contributing factors were manipulated, or occurred naturally (Gay and Diehl, 1992:16-18).

Gay and Diehl present a decision tree for determining the method or methods one plans to use in a research study, see Figure 7, next page. The questions one must ask in relation to the decision tree are:

1. Is the researcher attempting to establish a cause-effect relationship? If yes, the research is either causal-comparative or experimental; go to question 2. If no, skip to question 3.

2. Is the alleged cause, or independent variable, manipulated by the researcher? Will the researcher control who got what and what they got? If yes, the research is experimental; if no, the research is causal-comparitive.

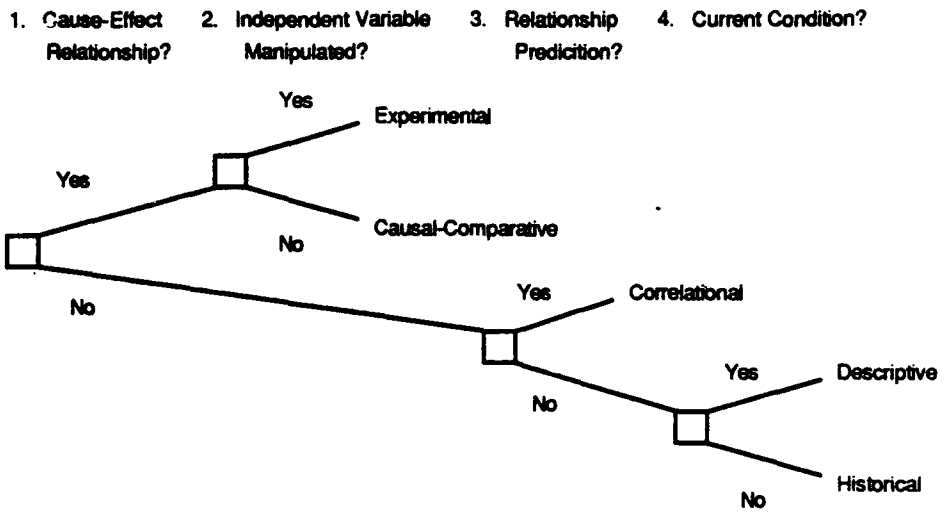

Figure 8. Decision Tree for Determining Methods of Research (Gay and Diehl, 1992:19)

3. Is the researcher attepmting to establish a relationship or use a relationship for prediction? If yes, the research is correlational. If no, the research is either descriptive or historical.

4. Is the researcher describing current conditions? If yes, the study is probably descriptive; if not, it's probably historical. (Gay and Diehl, 1992:19)

Classification of This Research Effort. As indicated, there are many forms or classifications of research. Those presented represent the few applicable to this research effort. The actual differences, however, may be in the eye of the beholder. For example, in respect to purpose, this study contained both basic and applied research. The steps taken during the literature review to produce the SIM resulted in what the researchers would refer to as their theory on the "essential elements" of stakeholder involvement; thus, a form of basic research. On the other hand, the comparison made between AFMC's SA programs and the

researchers' SIM falls into the realm of applying theory in the business environment; thus, a form of applied research.

In respect to Patton's classification of research and the researchers' efforts to improve AFMC's SA programs, this study could also be classified as either a summative or formative evaluation. In fact, the distinguishing characteristic between the two forms of evaluation would be the degree to which the reader believes the researchers generalized the study's findings and conclusions in Chapters IV and V to other programs or areas of interest.

In regard to classification by research method, this study could likewise be considered descriptive research. The use of personal interviews to answer the study's second and third investigative questions definitely falls into the category of descriptive research. The point is that "different reviewers of the same piece of research might well use a different label to describe it" (Patton, 1990:159). Therefore,

> it is important to understand variations in purpose along this (research) continuum because different purposes typically lead to different ways of conceptualizing problems, different designs, different types of data gathering, and different ways of publicizing and disseminating findings. (Patton, 1990:158)

Thus, based on the literature cited, the researchers selected a descriptive methodology which consisted of a combination of basic and applied research. The basic research was performed during the review of literature and

produced the stakeholder involvement model, or SIM, identified in Chapter II. The applied research, or formative evaluation, occurred during the in-depth interviews with AFMC's SA program process owners and resulted in the findings and conclusions documented in Chapters IV and V respectively. The next section describes the importance of data collection in a research design.

Data Collection

Data collection in an evaluation requires that researchers make at least four critical decisions. The first and second are determining the unit of analysis and the appropriate methodology necessary to answer the research and investigative questions. The third is selecting the proper sample size, and the fourth is developing an appropriate measuring instrument.

Unit of Analysis. The unit of analysis of a research study could be an individual, a group, a program, an organization, or a country, just to name a few (Patton, 1990:166-168; Sekaran, 1992:106-109; Yin, 1989:31-33). Selecting the unit of analysis focuses the research effort and drives the researcher to "fence off" the area of specific interest. Without this focus the researcher will experience great difficulty in answering the research question. The bottom line in determining the:

> appropriate unit of analysis is to decide what it is you want to be able to say something about at the end of the study. (Patton, 1990:168)

In this study the researchers selected AFMC's SA programs as the unit of analysis. The researchers' goal was to identify recommendations for improving stakeholder involvement in those programs; this was accomplished through the selection of proper methods of investigation and sample size, the next two areas of discussion.

Methods. There are basically three types of data collection methods used in evaluation research: quantitative, qualitative, and combined (quantitative-qualitative) methods; quantitative methods provide breadth of coverage, qualitative methods focus on depth of coverage, and combined methods provide both breadth and depth of coverage (Patton, 1990:165).

"The advantage of the quantitative approach is that it is possible to measure the reactions of many subjects to a limited set of questions, thus facilitating comparison and statistical analysis" (Patton, 1990:165). On the other hand, "qualitative methods typically produce a wealth of detailed data about a much smaller number of people and cases" (Patton, 1990:165). Combined methods incorporate the advantages of both quantitative and qualitative methods while eliminating the disadvantages of each.

Although "recent developments in the evaluation profession have led to an increase in the use of multiple

(or combined) methods," this research effort concentrated exclusively on the use of qualitative methods. This was due primarily to the researchers' preference to obtain as much information as possible from the small population of personnel associated with each of AFMC's SA programs (Patton, 1990:10-11).

Sample Size. The actual size of the investigative sample is generally smaller in qualitative studies than those used in typical quantitative studies. This is due to the actual focus of the two methods (qualitative versus quantitative) mentioned previously. In addition, the sample is typically purposefully selected in qualitative studies; whereas, the sample is normally randomly selected in quantitative studies (Patton, 1990:169). Patton is quick to point out the fact that in qualitative studies:

> there are no rules for sample size. It depends on what you want to know, the purpose of the inquiry, what's at stake, what will be useful, what will have credibility, and what can be done with available time and resources. (Patton, 1990:184)

The sample size for this study was selected based upon the number of SA programs identified during the initial interviews with senior-level AFMC strategic planners. From those programs, the researchers identified those which were believed to provide the most beneficial information in the time frame allowed. Next, the researchers applied the instruments of qualitative data collection.

Instruments. "Qualitative methods consist of three kinds of data collection: (1) in-depth, open-ended interviews; (2) direct observation; and (3) written documents" (Patton, 1990:10). Patton states that:

> data from interviews consist of direct quotations from people about their experiences, opinions, feelings, and knowledge. The data from observations consist of detailed descriptions of people's activities, behaviors, actions, and the full range of interpersonal interactions and organizational processes that are part of observable human experience. Document analysis in the qualitative inquiry yields excerpts, quotations, or entire passages from organizational, clinical, or program records; memoranda and correspondence; official publications and reports; personal diaries; and open-ended written responses to questionnaires and surveys. (Patton, 1990:10)

This study capitalized on the use of all three types of qualitative data. Interviews conducted with AFMC's SA process owners contributed the most to this research effort, followed by documentation received from them and senior-level AFMC strategic planners, and last, but not least, observations made during conversations and on-site visits with interviewees and AFMC staff personnel. Thus, this study incorporated a form of data "triangulation" which was meant to contribute to the overall strength and validity of the research design (Patton, 1990:187). The next section addresses the most productive form of data collection used in this study, qualitative interviews.

Qualitative Interviews

Interview questions must be developed to match the style of interview a researcher plans to perform. Three different styles of qualitative interviews are identified in the literature: the informal conversational interview, the interview guide, and the standardized open-ended interview (Patton, 1990:280). The following sections describe the advantages and disadvantages of each approach, and discuss the types of interviews used during this study.

Informal Interviews. The informal conversational interview is like a normal conversation. In fact, the respondent may not even realize he or she is being interviewed. The strength of this approach is questions are developed as one goes, thus allowing the interviewer to adjust to the situation and the person he or she is interviewing; the weakness is the additional time typically required due to the number of conversations it may take to obtain enough information to meet the researcher's needs (Patton, 1990:280-282).

Interview Guides. The interview guide provides a general outline of questions to be asked, but gives the interviewer the flexibility to pursue subjects in greater depth (Patton, 1990:283-284). The actual sequencing and wording of questions is left for the interviewer to decide during the process of the interview. The strength of this approach is that the guide limits the number of questions

and the amount of time required to perform an interview; the weakness is that comparability of responses may be affected by differences in sequencing and wording of questions between respondents (Patton, 1990:283,288).

Standardized Interviews. The standardized open-ended interview goes one step further. The number of questions, the wording of those questions, and the order in which they are asked is decided before the first interview is ever performed (Patton, 1990:280-281). This approach minimizes the variation between different interviews by eliminating the bias typically associated with the variation in the wording and/or sequencing of the interview questions (Patton, 1990:281). Two key reasons for selecting the use of the standardized open-ended interview are:

> (1) The exact instrument used in the evaluation is available for inspection by decision makers and information users; and (2) the interview is highly focused so that the interviewee's time is carefully used. (Patton, 1990:285)

Unfortunately, the flexibility and spontaneity associated with the first two approaches are lost when the standardized interview is used (Patton, 1990:281). To ensure some flexibility and spontaneity are retained, one can either combine two approaches, or use each of the three different approaches during different stages of an investigation (Patton, 1990:287-290).

Interviews Used in This Study. The later plan of attack was incorporated in this study. Initial interviews

with AFMC senior-level strategic planners used the unstructured, informal conversational interview approach in order to define the eventual direction of this research effort.

Next, interviews were conducted with key stakeholder awareness (SA) program process owners using the interview guide approach. During this stage, approximately five to ten general questions were used. Additional questions were asked of each respondent in order to address particular issues associated with their particular program. Those interviews, provided the researchers a greater appreciation for the complexity of achieving maximum external stakeholder involvement in a firm's SA programs, and formed the foundation for selection of the research question and the three investigative questions introduced in the first chapter.

The literature review, documented in the second chapter, answered the first investigative question and resulted in a model of the five "essential elements" necessary to establish maximum stakeholder involvement in a firm's strategic planning process. This model, in conjunction with the results of the first two rounds of interviews, contributed to the selection and wording of the final set of interview questions.

The final stage of the interview process used formal, standardized open-ended interviews to answer the second and

third investigative questions. To further improve the validity and reliability in that process, the final set of interview questions were submitted to fellow students and thesis advisors for review. This resulted in a pretest of the interview instrument, presented in Appendix A (Emory and Cooper, 1991:376-382). In addition, a pilot test was conducted with one stakeholder awareness program member to ensure the interview questions were appropriate and understandable. The pilot test served as the final test of weakness in design and instrumentation (Emory and Cooper, 1991:88). Recommended changes from both pretest and pilot tests were then incorporated in the interview instrument prior to the final set of interviews. Questions used in the final round of interviews are presented in Appendix B.

Data Analysis

The largest task of data analysis in this study involves the interpretation of interview results and reporting them in a form easily understood. Two forms of qualitative analysis are very popular: case analysis, and cross-case analysis (Patton, 1990:376). This section describes each type of analysis and the approach taken in this study.

Case Analysis. The case analysis approach deals specifically with one person, one group, one program, or one unit of the study at a time (Patton, 1990:376). The

advantage of this approach is the area of focus. The researcher can concentrate on one unit of analysis at a time. Once the individual case is written, then cross-case analysis can be used to identify similarities or differences with other cases in a cross-case analysis (Patton, 1990:376).

Cross-Case Analysis. The cross-case analysis approach allows the researcher to take different perspectives and group them together to indicate strengths, weaknesses, similarities, and differences between cases (Patton, 1990:376). This is extremely beneficial when qualitative interviews are performed. Responses to each interview question can be compared and contrasted to identify significant information.

Analysis Used in This Study. This research study used both the case and cross-case analysis approach. Due to the differences between SA programs, the initial method of analysis for this study was the case analysis approach. This allowed the researchers to provide meaningful descriptions of each program before performing cross-case analysis related to the five "essential elements" of stakeholder involvement.

The next step was to compare and contrast the findings related to the SIM. This was accomplished by performing a cross-case analysis across the different SA programs for each interview question. Those efforts contributed to the

findings, conclusions, and recommendations of this study which are documented in Chapters IV and V.

Summary

This chapter introduced the methodology the researchers selected and used during this study. The methodology described was chosen in order to provide the researchers well established procedures to use to answer the investigative questions initially presented in Chapter I. Critical issues addressed in this chapter presented the procedures of research design, data collection, qualitative interviews, and data analysis. The researchers used these procedures to perform this study. Results of their efforts, including findings, conclusions and recommendations are presented in Chapters IV (Findings and Analysis) and V (Conclusions and Recommendations) respectively.

IV. Findings and Analysis

Overview

This chapter presents the findings of this research study. The findings are organized by investigative question. Findings of the first investigative question are based strictly on the review of literature documented in Chapter II. Findings of the second and the third investigative questions are based upon in-depth personal interviews performed with Air Force Materiel Command's (AFMC's) stakeholder awareness (SA) program process owners, documents provided by senior-level AFMC strategic planners, and observations made during conversations and on-site visits with interviewees and AFMC staff personnel.

The First Investigative Question

The study's first investigative question was:

> What are the "essential elements" necessary to establish maximum stakeholder involvement in a firm's strategic planning process?

Based on an extensive review of pertinent literature, the researchers identified five "essential elements." They are:

1. Establishment of a communication process for multiple stakeholders.
2. Appropriate interaction policies.
3. Active CEO involvement.
4. Measurement processes, and
5. Balanced stakeholder strategies.

Chapter II provides a detailed description of each of the six elements, which when combined make up what the researchers call their stakeholder involvement model, or SIM. Each element of the SIM was used as a benchmark from which to measure the SA programs identified in the next section.

The Second Investigative Question

The study's second investigative question was:

> Does Air Force Materiel Command incorporate these "essential elements" of stakeholder involvement in its current stakeholder awareness programs?

In order to answer this question, the researchers first had to identify AFMC's current SA programs. This was accomplished through structured and unstructured interviews with senior-level AFMC strategic planners and SA program process owners. Six programs were identified.

Next, in-depth, structured interviews were conducted with each of the six program's process owner. Questions used during those interviews are documented in Appendix B. Table 3, on the next page, identifies the six programs (or processes) the researchers evaluated during this study; appendix and page number are provided for each corresponding interview transcript. Two types of analysis were used to present the findings of the second investigative question: the case analysis, and the cross-case analysis; both of which were introduced in Chapter III.

Case Analysis. The next few sections present a brief case analysis of each of the six programs (or processes) identified in Table 3. Findings are based upon each process owner's responses to the first four interview questions, and documentation provided by senior-level AFMC strategic planners. Following the case analyses, cross-case analyses are presented using cross-classification tables. Findings presented by cross-case analysis were based upon the responses to interview questions 5 through 16 and indicate whether each program (or process) incorporates the five "essential elements" of the researcher's stakeholder involvement model (SIM).

Table 3. AFMC's Stakeholder Awareness Programs

	Program/Process	Appendix	Page
1.	Technical Planning Integrated Product Teams (TPIPTs)	C	100
2.	Weapons System Program Assessment Reviews (WSPARs)	D	119
3	Major Command Days (MAJCOM Days)	E	125
4.	AFMC Modernization Planning	F	134
5.	Commander's Operational Readiness Reviews (CORRs)	G	146
6.	Top Priority	H	151

Technical Planning Integrated Product Teams (TPIPTs). TPIPTs are more of a process than a program. They are integrated product teams set up on a part-time basis. In existence for approximately three years, "a

typical TPIPT is facilitated by one of the product center development planners, or program office planners" (Felkey, 1994:1). Additional TPIPT members generally consist of personnel from the Air Staff, "operational commands, laboratories, air logistics centers, test centers, program offices, system engineering, and intelligence agencies" (Felkey, 1994:1).

TPIPTs are organized to perform near-term and long-range technology planning to meet the needs of the operational major commands (MAJCOMs) now and for the foreseeable future (Felkey, 1994:1). In the process, TPIPTs provide valuable inputs into the AFMC Technology Master Process (TMP), a roadmap for technology modernization (Forney, 1994:5).

TPIPTs provide the critical link between the using MAJCOMs, such as Air Combat Command, and AFMC's developing agencies, such as Aeronautical Systems Center. Through this link, users are provided an opportunity to address near-term and long-term shortfalls they have identified in their mission area plans (MAPs) through their mission area assessments (MAAs) and mission needs analyses (MNAs).

MAJCOM mission area assessments and mission needs analyses are theoretically accomplished through a process known as strategy-to-task, task-to-need, need-to-concept (Forney, 1994:4-12). Prior to this process, national military strategies are broken down and assigned to the

different services by the Joint Chiefs of Staff. Strategies delegated by the Air Staff to particular MAJCOMs define a MAJCOM's specific mission areas. Mission area assessments then break those strategies down into the necessary tasks to accomplish them (strategy-to-task).

In the next step, MAJCOMs identify those tasks which they either cannot perform, or they can perform, but not as well as they would like, or not as cheaply as they could. Those deficiencies then become their needs (task-to-need, or sometimes called task-to-deficiency). Based on those needs, alternative concepts are recommended and investigated to determine the best concept to meet each specific operational need (need-to-concept).

The TPIPTs role is to assist each MAJCOM's mission area team (MAT) with the process of identifying alternative solutions, or new concepts, from which the MAJCOMs will choose and recommend for further study. This process is known as the mission needs analysis and leads to the development of comprehensive mission area plans (MAPs). Active involvement of all stakeholders (labs, logistics centers, test centers, program offices, and users) in the development of the MAPs results in the pursuit of new enabling technologies (often called concept-to-technology) and an integrated USAF modernization effort (Forney, 1994:12).

Weapons System Program Assessment Reviews (WSPARs). WSPARs are also considered a process versus a program. The WSPAR process "provides Headquarters (HQ) AFMC, HQ USAF, and the Air Force Council (AFC) with the System Program Director's (SPD's) assessment of a weapon system's capability to meet operational requirements" (AFMC/XR, 1993:2). In existence for at least 10 years, WSPARs consist of detailed briefings prepared for the AFC periodically at the request of the HQ USAF Director of Logistics (USAF/LG). The AFC is an Air Force corporate body which determines the fate and funding of major weapon systems based on their performance and cost.

Typical WSPAR topics include issues which affect peacetime or wartime commitments, or both. Status of efforts underway to improve capability or to meet operational requirements are addressed as well. In addition, SPDs provide an overall "gut level" assessment of current and projected out-year system capability; this requires a forecast of future indicators such as aircraft availability, mission capability rates, and combat capability (AFMC/XR, 1994:Attachment 1).

One of the key features in the WSPAR process is the role of the using command or MAJCOM. System Program Directors are required to "obtain MAJCOM coordination and approval of WSPAR data prior to HQ AFMC and HQ USAF presentations" (AFMC/XR, 1994:3). This requirement, in

addition to the numerous pre-briefs, provides stakeholders at many different levels an opportunity to comment or provide input into the management of the specific program under review. Thus, the System Program Director has a tough job pleasing all those involved in the process. However, one of the goals of the process is to ensure that everyone is providing the SPD the support they need so that they can provide the user the first rate support they deserve.

Major Command Days (MAJCOM Days). MAJCOM Days consist of semiannual meetings between the commander and staff of both AFMC and the operational MAJCOMs. The operational commands include: Air Combat Command (ACC), Air Mobility Command (AMC), Pacific Air Forces (PACAF), United States Air Forces Europe (USAFE), Air Force Space Command (AFSPC), Air Education and Training Command (AETC), Air Force Special Operations Command (AFSOC), and the Air Intelligence Agency (AIA). MAJCOM Days consist of what is typically called a four-star review. The exception is the AFSOC and AIA MAJCOM Days. In both cases, two-star reviews are conducted between AFMC's Director of Requirements and his or her counterpart versus the four-star reviews conducted with the other commands (AFMC/XR, 1).

The MAJCOM Day process is not new to the Air Force. As far back as the post-Vietnam War era, Air Force Logistics Command (AFLC) and Air Force Systems Command (AFSC) had established the need for periodic meetings between the

commanders and staff of AFLC or AFSC and the operational commands. MAJCOM Days continues that tradition.

Usually a three day off-site conference, MAJCOM Days provide AFMC an opportunity to promote high-level discussions with its primary customers to "ensure that AFMC resources are properly applied to its customers' priority concerns" (AFMC/XR, 2). Topics addressed during the conferences are preapproved by both AFMC and the customer command, and like WSPARs there are several levels of pre-briefings prior to the actual pageant. Issues addressed include weapon system sustainability and supportability, and the customer MAJCOM's Top Priority issues. Basically, MAJCOM Days promote cooperation between AFMC and the customer commands.

AFMC Modernization Planning. The goal of AFMC Modernization Planning is to identify future deficiencies and to plan now to meet those deficiencies by applying emphasis in the development of new processes or new products. The Air Force Chief of Staff (CSAF), Gen McPeak, has been the driving force behind this effort through his "Year of Equipping" in 1993.

The actual process is based on the strategy-to-task philosophy previously discussed. As MAJCOMs go through the strategy-to-task, task-to-need process, they generate mission area plans which identify their needs. They then prioritize those needs based on their overall impact on

mission accomplishment. This results in a MAJCOM modernization plan for the next 25 years which includes potential concepts recommended for further study or investigation.

The next step is to combine each MAJCOM's plan into an integrated Air Force plan which takes into consideration the available funding to accomplish modernization. The result is a fiscally constrained, realistic view of modernization. Based on that product, or document, AFMC can then build its modernization plan. This year is the first year this process is expected to go full cycle.

Commander's Operational Readiness Reviews (CORRs). The CORR process is a result of quarterly briefings given during the Desert Storm conflict. In existence since May 1992, CORRs provide the AFMC Commander valuable information concerning the sustainability and supportability of weapon systems which fall under AFMC's umbrella of responsibility. A typical CORRs consist of briefings sponsored by one of the nine centers (four product and five logistics centers). The briefings are rotated between the product and logistics centers each month.

Conducted by video teleconference, each CORR "presents five programs representing a cross section of the chosen center's responsibilities" (Darang, 1994a). Mandatory topics for each program briefed include supportability for acquisition programs, warfighting metrics for fielded

programs, user and/or single manager concerns, pollution prevention status, maintenance status, and system readiness indicators (such as mission capable and mission incapable rates, MC and MICAP rates) (Darang, 1994b). Included in aircraft programs are discussions concerning cost per flying hour, and efforts to reduce those costs (Darang, 1994b).

"Following each CORR, a personal letter form the AFMC Commander is sent to each applicable operational MAJCOM commander to inform them of the actions being taken to resolve any problems affecting supportability" of their specific weapon systems (Darang, 1994b). This service acts as an additional reminder to the customer MAJCOMs that AFMC is interested in meeting their specific needs.

Top Priority. The Top Priority program was instituted to keep AFMC's customers, the using MAJCOMs, informed on the status of issues which they have identified as their top priority. The program consists of a monthly report which is sent to each MAJCOM, or stakeholder, which identifies each issue and the specific action plan developed to eliminate the issue. This program provides extremely valuable information to AFMC's customers and serves as a tool for AFMC to manage and continually focus on those issues considered important to their customers.

Cross-Case Analysis. A cross-case analysis was performed to compare and contrast the existence and use of the five "essential elements" of stakeholder involvement in

the six programs or processes discussed in the previous sections. Interview questions 5 through 16 were used to gather data on the existence and use of the essential elements in AFMC's stakeholder awareness processes. Findings are presented in cross-classification tables to aid in analysis.

Establishment of a Communication Process for Multiple Stakeholders. Interview questions five, six and seven were used to explore who the process owner communicates with, the frequency of communication, methods, and how a stakeholder's input is incorporated into the process. A summarization of findings is found in Table 4. Blank spaces indicate that the process owner does not personally communicate with the external stakeholders directly.

The TPIPTs and MAJCOM Days process owners deal with their counterparts in the operational MAJCOMs, while the WSPARs process owner deals exclusively with personnel assigned to the Air Staff. Process owners of AFMC Modernization, and Top Priority do not interface with their external stakeholders directly; however, they do interface with the internal AFMC offices (or functional areas) who interface with corresponding offices (or functional areas) in each MAJCOM. The CORR process owner only interfaces with internal AFMC personnel due to the nature of the program.

Table 4. Establishment of a Communication Process for Multiple Stakeholders

PROGRAM/PROCESS	WHO	FREQUENCY	METHODS	USE OF INPUT
TPIPTs	MAJCOM Requirements Offices	At least monthly; bi-weekly VTCs	Phone, Fax, E-mail, Hot lines, VTC, Meetings	Look for trends, share good and bad ideas; learn from mistakes
WSPARs	Air Staff	Daily	Phone, Fax, E-mail, VTC, Meetings	Evaluate inputs, make changes to guide the process
MAJCOM DAYS	MAJCOM liaison officers, MAJCOM POCs	Weekly; Daily as the event date comes closer	Phone, Fax, E-mail, Meetings	If inputs pertain to the event: receive, edit, and add to preparatory handouts
AFMC MODERNIZATION	Not in contact with other MAJCOMs			
CORR	MAJCOMs	Once a month	Letter detailing CORR items	No formal feedback
TOP PRIORITY				

Blank spaces indicate that the process owner does not personally communicate with external stakeholders in the process.

The majority of process owners communicate with their stakeholders on a weekly basis. They use traditional communication methods such as telephone, fax machine and face-to-face meetings. One process owner stated, "The phone is one of our biggest allies and also one of our biggest enemies because it eats a lot of time." Many of the programs are establishing E-mail networks to facilitate communication. TPIPTs has a "hot line" system with pre-established mail groups to all center commanders. Video Teleconferencing (VTC) is used in the TPIPTs and WSPARs processes to bring AFMC representatives and their stakeholders together without the expense of traveling between one site to the other.

The process owners of TPIPTs, WSPARs, and MAJCOM Days use the inputs of their stakeholders to improve their processes. TPIPTs looks for trends in stakeholders comments and shares these comments, good and bad, across the board. Sharing information enables everyone to learn from mistakes and take steps to improve the process. WSPARs uses comments from the Air Staff for continuous improvement. Inputs are evaluated and changes are made to the WSPAR process if necessary. Inputs into the MAJCOM Day process are received and edited by the process owner. The inputs are then reviewed by the Integrated Product Team (IPT) and placed into the preparatory handouts for the senior staff members of both commands.

Appropriate Interaction Policies. Interview question eight was used to categorize the style of interaction between the process owners and stakeholders. Three of the stakeholder awareness process owners were able to categorize their level of interaction as inactive, reactive, proactive, or interactive. Table 5 summarizes the findings for this element.

The MAJCOM Day process owner placed his style of interaction in all four categories. Interaction could be inactive at times, because the operational MAJCOMs sometimes have an agenda that does not match AFMC's agenda. The TPIPTs, and WSPARs process owners identified their interaction as reactive, proactive, and interactive. Interaction can be reactive due to the nature of the process and the level of involvement. Direction is given at the last minute and must be incorporated into the process. While, on the other hand, the processes are reaching proactive and interactive stages because of open communication between process members and stakeholders and their ability to share information and ideas to improve their process.

The process owners of AFMC Modernization, CORR, and Top Priority did not categorize their interaction style because they do not personally deal with the external stakeholders on a regular basis. The CORR and Top Priority process owners are more like facilitators. They take inputs from

Table 5. Appropriate Interaction Policies

PROGRAM/PROCESS	INACTIVE	REACTIVE	PROACTIVE	INTERACTIVE
TPIPTs		X		X
WSPARs		X	X	X
MAJCOM DAYS	X	X	X	X
AFMC MODERNIZATION			X	
CORR			X	
TOP PRIORITY				X

_____ Process owner's classification of interaction style
---------- Researchers' classification of interaction style

technical experts and product centers and create a single report which presents the status of priority items and each center's progress on readiness issues. AFMC Modernization is an in-house process looking 25 years into the future and charting a course for AFMC based upon coordination between AFMC and the operational MAJCOM functional offices. Although in its first full year, the result is expected to be a comprehensive plan for modernization for the command.

However, we believe these three processes are actually proactive and interactive by design. Top Priority requests inputs from the operational commands on issues they feel require increased attention. AFMC closely monitors these issues and provides status information monthly to the appropriate command. In the CORR process, the Product and Logistics Centers select topics dealing with the supportability of their specific weapons systems. The AFMC Commander then updates the appropriate using command on any actions being taken to resolve problems dealing with those systems. The AFMC Modernization process looks to the future and tries to identify what AFMC needs to meet the needs of its customers over the next 25 years.

Active CEO Involvement. Interview questions nine, ten, eleven, and twelve were asked to identify the highest level of involvement in each process and that individual's actions in the process. These questions were also asked to identify that individual's interaction with external

stakeholders, and his/her influence and effect on the direction of the process. Table 6 summarizes the findings for this element.

The level of involvement in the six stakeholder awareness processes ranges from the Air Force Chief of Staff and the Vice Chief of Staff, to the AFMC commander, and commanders of the operational MAJCOMs. The Chief of Staff is involved in the TPIPTs process. He demands results and requires metrics for the process. The Vice Chief is the WSPARs process owner at the Air Force Council level. He mainly deals with financial matters such as program funding and budget reductions. The commander of AFMC is involved in five of the six processes. He chairs the CORR briefings held with the Logistics or Product Centers, approves the agenda and reviews briefings for MAJCOM Days, and has pushed for financial constraint across Air Force weapons systems programs.

Individuals at the highest levels interact with each other in different forums. They meet at the Air Force Council, CORONA conferences, MAJCOM Days, or through private communication such as messages, and phone calls. The AFMC commander interacts with his stakeholders at these meetings and updates them on the status of acquisition, suportablility and readiness issues.

The Vice Chief of Staff has the power to terminate a program or move funds from one program to another according

Table 6. Active CEO Involvement

PROGRAM/PROCESS	HIGHEST LEVEL OF INVOLVEMENT	ACTIONS	INTERACTION WITH STAKEHOLDERS	INFLUENCE/ EFFECT
TPIPTs	CSAF, AFMC/CC, MAJCOM/CCs	Demands results, metrics	CSAF works through Air Staff. AFMC/CC interacts with MAJCOM/CCs at MAJCOM Days	Air Staff provides the majority of inputs to the process
WSPARs	Vice Chief of Staff, Air Force Council	Deals with financial matters	MAJCOM reps and SPDs receive feedback from the Air Force Council	Owns the process; talks with MAJCOM/CCs; can kill a program
MAJCOM DAYS	AFMC/CC and other MAJCOM/CCs	Approve the agenda; review briefings	Not just limited to MAJCOM Days; CORONA, phone calls	Direction for action or accept the solution presented
AFMC MODERNIZATION	AFMC/CC	Push for fiscal constraints and prioritization of projects	MAJCOM Days, CORONA	Meet with MAJCOMs; Present processes to do things better, modernize
CORR	AFMC/CC	Chairs the CORR briefings	Updates MAJCOM/CCs on status of programs a Product or Logistics Center	Started the CORR process and wants it to continue
TOP PRIORITY	AFMC/CC, AFMC/XR	Clarifies any discrepancies with Top Priority items. Presses for solutions	Ensures MAJCOM/CCs are in agreement with any status changes	Ensures report reflects true status of items. Presses for solutions

to Congressional guidelines. The AFMC commander meets with his staff to find new solutions or direct them to follow the agreed upon plan following a MAJCOM Day pageant. He started the CORR process and is very satisfied with the results it generates. In regards to AFMC Modernization, the AFMC commander has pushed the other MAJCOMS to look into the future and develope ways to modernize and do things better.

Measurement Processes. Interview questions 13 and 14 were asked to discover the measurement tools used in the stakeholder awareness processes to meet stakeholders needs, how feedback that is used, and any methods of continuous improvement. Findings are summarized in Table 7. Blank spaces indicate no established measurement process.

Customer service or satisfaction surveys are the predominant method of measurement, when measurement processes are used. Surveys are sent to external stakeholders of the TPIPTs and Top Priority processes which request feedback on their satisfaction with the process, inputs for improvement, and any additional comments. The MAJCOM Day process owner previously used customer surveys, but now receives feedback through the Top Priority and Action Item Review processes. WSPARs do not have a formalized process, but the AFMC process owner works directly with the Air Staff and receives direct feedback on the process. CORR and AFMC Modernization do not have measurement programs.

Table 7. Measurement Processes

PROGRAM/PROCESS	METHODS	USE OF FEEDBACK	CONTINUOUS IMPROVEMENT
TPIPTs	Customer satisfaction surveys	Send info on good and bad ideas to MAJCOMS and AFMC organizations for information or action	Distribute survey information to all involved. Incorporate ideas in to the process or for future consideration
WSPARs	No formalized process; work directly with Air Staff	Work appropriate comments into the process	WSPAR IPT
MAJCOM DAYS	Used to have customer service reports	Feedback is incorporated into Top Priority and Action Item Review processes	MAJCOM Day IPT
AFMC MODERNIZATION	Haven't gotten that far in the process		Brand new process, needs to mature
CORR			CORR IPT
TOP PRIORITY	Customer service survey	Reviewed by the XR	Continuous review of priority lists

Blank spaces indicate that the process does not have an established measurement process.

The process owners who measure customer satisfaction try to incorporate stakeholder feedback into the process. The TPIPTs process owner uses both good and bad comments to improve the process. Process members and stakeholders can learn from each others' ideas. WSPARs works feedback from the Air Staff into the overall process and makes changes as necessary. MAJCOM Days uses the Top Priority process to incorporate stakeholder feedback. The Top Priority process reviews the status of items and can only change status if the owning MAJCOM agrees that progress has been made.

Each process has a method for continuous improvement. WSPARs, MAJCOM Days, and CORR have IPTs which review the process and recommend any changes. IPT members include personnel from different directorates such as Logistics (LG), Science and Technology (S&T), and Financial Management (FM). The TPIPTs process owner uses the inputs from the customer satisfaction surveys to improve the process. The Top Priority program is reviewed by AFMC/XR, Director of Requirements, to ensure the process addresses all of the items on the MAJCOM's priority list. Because AFMC Modernization is just a year old, it is continuously undergoing changes to improve the quality and quantity of issues presented.

Balanced Stakeholder Strategies. Interview questions fifteen and sixteen were asked to uncover the way process owners balance the needs of competing stakeholders

and if any "centers of excellence" exist to provide support to one specific stakeholder. These findings are summarized in Table 8.

Balancing the needs of the external stakeholders is very difficult in the TPIPTs process. Most decisions are based on financial considerations and must be resolved at a higher level, such as Air Staff. The WSPARs process owner stated that there are very few conflicts between the stakeholders and if they do exist, these conflicts are also resolved at a higher level. The MAJCOM Day process owner allows the individual personality of a MAJCOM to be reflected in the process and tries not to force-feed a specific format onto the event. The CORR process owner acts according to the guidance of the AFMC commander. The external stakeholders in the Top Priority process provide a distinct list of issues for AFMC to act on. Each list receives the same degree of attention; no priority between external stakeholders is established. AFMC cannot change the list without the MAJCOM's approval. The process owner of AFMC Modernization believes that once his process reaches maturity, conflicts will be resolved by the Air Staff with the development of a fiscally constrained, integrated, Air Force modernization plan.

Five of the six process owners stated that no center of excellence exists to provide support to one specific stakeholder. They mentioned the Integrated Product

Table 8. Balanced Stakeholder Strategies

PROGRAM/PROCESS	BALANCE NEEDS	CENTERS OF EXCELLENCE
TPIPTs	Very difficult; Money can be the deciding factor	None; no one pocket of experience; move to integrated teams
WSPARs	Very few conflicts; if necessary, resolved by AFMC/CC or higher	XRE, Special Events section
MAJCOM DAYS	Each command has its own personality; do not try to force a set standard	None; employ the integrated product development philosophy
AFMC MODERNIZATION	Once an integrated plan is developed, conflicts will be resolved before this point	None
CORR	Act according to AFMC/CC's guidance	None
TOP PRIORITY	MAJCOMs designate their own top priorities	None

Development (IPD) philosophy in which personnel from within AFMC work with their external stakeholders to solve problems and recommend improvements. This philosophy facilitates the transfer of ideas and discoveries from one program to another. The WSPARs process owner stated that AFMC's Special Projects Division, AFMC/XRE, serves as a center of excellence. This is an appropriate observation, as four of the six process owners of these stakeholder awareness programs are located in this division.

The Third Investigative Question

The study's third investigative question was:

> What changes should be made to increase stakeholder involvement in Air Force Materiel Command's strategic planning process?

This question was answered by further analyzing the use and presence of the five "essential elements" in AFMC's stakeholder awareness programs and by questioning the process owners about feedback into the command's strategic planning process. Interview questions 17 and 18 were asked to identify other AFMC agencies involved in the stakeholder awreness programs and how stakeholder feedback reaches personnel involved in the strategic planning process. This section will present additional comments on the use of the SIM in AFMC stakeholder awareness prgrams, and the process owner's responses to the two interview questions.

"Essential Elements". The elements of the SIM are effectively used in AFMC's stakeholder awareness programs and enhance the interaction between AFMC and the operational MAJCOMs. Process owners are in frequent communication with their stakeholders and use up-to-date technology to enhance the process. Both TPIPTs and WSPARs use video teleconferencing to reach out to the stakeholders which minimizes costs associated with stakeholder relations because personnel don't have to travel. Feedback mechanisms are built into each process to allow the stakeholders input into the process. TPIPTs reports good and bad comments made about the process which "has some associated risks, as well as potential benefits" (Higgins and Bannister, 1992:35). Personnel are able to learn from both positive results and from mistakes made in the process. The communication channels also influence the level of interaction between AFMC and its stakeholders.

The interaction between process owners and stakeholders is managed properly throughout the various processes. Process owners strive for a proactive and interactive interface with stakeholders and are implementing policies to enhance the interchange of ideas. At times, the process owners must take a reactive stance due to input from higher levels or stituations which require immediate attention. They try to minimize the occurrence of reactive stiuations, but often it is out of their control. Personnel at the

highest levels must take steps to decrease the amount of last minute taskings.

High-level personnel such as the Air Force Chief of Staff and the AFMC Commander are actively involved in every stakeholder awareness program evaluated in this study. Higgins wrote:

> CEO credibility also contributes to corporate strategic credibility. The reputation of the CEO as a beleivable, reliable communicator can enhance the strategic image projected by the company. Thus the CEO is viewed here as more than just the passive recipient of a reflected corporate strategic image: he/she can also be a major contributor to strategic corporate capability (Higgins and Bannister, 1992:35).

The AFMC commander takes steps to ensure stakeholders are constantly updated and involved in the process. He interacts with his stakeholders at various conferences and meetings, and through private communication. However, the commander is most often the cause of last minute taskings to the process owners, which forces the process owner into a reactive mode. The AFMC Commander requires the process owners to measure their ability to meet the needs of the external stakheolders.

Customer service and satisfaction surveys are the methods of choice to measure process performance. Good measurement begins at the beginning, illuminates what is important, is consistent, and fair, and converts into action (Sandy, 1991:33). The process owners use feedback in the surveys to improve their process and further involve the

stakeholders in AFMC's strategic planning process. Many stakeholder inputs have turned into action items for the command. AFMC also uses stakeholder inputs to balance the needs of the operational MAJCOMs.

Each stakeholder awareness program has its own mechanism to balance the needs of the operational MAJCOMs. The Top Priority program allows the stakeholder to provide a list of its pressing issues to AFMC for action. Thus, each MAJCOM has a separate list, and each MAJCOM recieves equal priority. The TPIPTs process has a very difficult time balancing the needs of stakeholders. Many decisions are made based on budget considerations, not need, and must be made at a higher level than the process owner. However, no one is making the decision. This issue will be further adressed in Chapter V, Conclusions and Recommendations.

Unlike civilian industry, AFMC does not have established centers of excellence to focus on the needs of one specific stakeholder. The command used to employ the "lead lab" concept where one lab specialized in a certain technology. However, the command now employs an integrated product developement philosophy which allows cross-fertilization between the labs, product and logistics centers and the stakeholders. This concept enhances the command's ability to transer technological developements between weapons systems and increases the possibilty of technology transfer from defense to civilian applications.

The five "essential elements" of stakeholder involvement are present in AFMC's stakeholder awareness programs. The stakeholder awareness programs enable the Command to establish a relationship with the operational MAJCOMs and allows AFMC to better understand the needs and desires of their external stakeholders. These programs feed into AFMC's strategic planning process in several ways. The next section will illustrate how these inputs are integrated inot the overall strategic plan.

Integration. The responses to interview questions seventeen and eighteen identified other organizations which are involved in the stakeholder awareness programs, and how stakeholder inputs are integrated into the Command's strategic planning process. AFMC involvement cuts across all mission element boards and functional areas. Many of the processes have integrated product teams (IPTs) with members from the Logistics, Financial Managment, Engineering, Science and Technology directorates, and technical experts representing each command. Table 9 illustrates how the processes touch all levels of AFMC.

Process results reach those involved in the Command's strategic planning through the HORIZONS conferences and other high level meetings. A HORIZON conference is a two day stategic planning review session. The commanders and directors of major AFMC programs discuss the commmand's progress in meeting the goals and objectives established in

Table 9. Other AFMC Involvement

PROGRAM/PROCESS	INVOLVEMENT AND FUNCTION
TPIPTs	Program offices, Labs, XR, EN; cross-section of Command involvement
WSPARs	All two-letters serve as IPT members: XP, LG, FM, EN, DO, and technical expert
MAJCOM DAYS	IPT members: LG, EN, XP, ST; anyone in a field or headquarters organization who is a briefer during the event
AFMC MODERNIZATION	All Mission Elements are involved: XR, LG, ST, TE, and CE
CORR	IPT members from EN, XP, LG, and FM
TOP PRIORITY	The technical experts for each command : XRJ, XRT, XTA, XRB, XRS, and DO (AFOTEC)

the strategic plan. Issues and results are also discussed at Mission Element Board meetings. Table 10 illustrates the methods of integrating the results from the stakeholder awareness programs into AFMC's strategic planning process.

Overall, no major changes are needed to increase stakeholder input in AFMC's strategic planning process. The "essential elements" of stakeholder involvement are present in the reviewed stakeholder awareness programs and enhance the command's ability to solicit stakeholder input. There are also procedures in place to maximize the use of the stakeholders' inputs. Many of the processes have IPTs with members from various agencies throughout the command who learn about stakeholder interests and concerns. Stakeholder inputs reach key strategic planners through the HORIZONS process and Mission Element Board briefings. This cross-fertilization between varied agencies in AFMC maximizes stakeholder involvement in it's strategic planning process.

Table 10. Feedback into Strategic Planning Process

PROGRAM/PROCESS	FEEDBACK INTO STRATEGIC PLANNING PROCESS
TPIPTs	Mission Element Board briefing, HORIZON conferences
WSPARs	All two-letter (functional) chiefs attend the AFMC/CC's WSPAR briefing and receive information or guidance into the planning process
MAJCOM DAYS	HORIZONS; Technology Master Planning; TPIPTS
AFMC MODERNIZATION	Haven't got that far yet
CORR	Briefed at HORIZONS
TOP PRIORITY	Briefed at HORIZONS and MAJCOM Days

Summary

This chapter presented the findings and analysis of this research study and was organized by investigative question. Findings to the first investigative question were based strictly upon the review of literature documented in Chapter II. This produced the researcher's stakeholder involvement model, or SIM.

The SIM contains five "essential elements" necessary to produce maximum stakeholder involvement in any firm's strategic planning process. Those elements were used to develop the interview questions used in this study (Appendix B). The questions measured the existence or non-existence of the five "essential elements" of stakeholder involvement in the stakeholder awareness (SA) programs selected for this study.

The six SA programs selected for study were identified through a process of structured and unstructured interviews with AFMC's senior-level strategic planners. Information gathered from the in-depth personal interviews with each SA program's process owner was used to answer the second and third investigative questions.

Case and cross-case analysis were performed to answer the second investigative question. Case analysis allowed the researchers to provide a brief description of each stakeholder awareness program. A cross-case analysis was performed to confirm the use and existence of the SIM in AFMC's programs. Findings were presented in cross-classification tables to aid in analysis.

The third investigative question was answered by further analyzing the existence of the SIM and by interviews with process owners. The next chapter introduces the conclusions and recommendations based upon this study's findings.

V. Conclusions and Recommendations

Overview

This chapter presents the conclusions and recommendations of this research effort. Also included are lessons learned. Conclusions and recommendations are based primarily upon an in-depth review of literature related to strategic planning, and personal interviews conducted with Air Force Materiel Command's (AFMC's) stakeholder awareness (SA) program process owners. The lessons learned are based upon the "actual experience" of conducting this research study and are provided to assist others who may engage in studies of this nature.

Conclusions

The study's research question was:

> What lessons can Air Force Materiel Command learn from leading business practices that produce maximum stakeholder involvement in strategic planning?

The researchers answered this question by establishing a model which incorporates leading business practices used to produce maximum stakeholder involvement in any strategic planning processes. This model was then used to evaluate six of AFMC's stakeholder awareness programs. Based on those evaluations, the researchers were able to come to th following conclusions.

AFMC is currently using the leading business practices the researchers identified in their stakeholder involvement model (SIM). AFMC aggressively seeks the opinions and desires of its most important external stakeholders, the operational major commands (MAJCOMs). This is accomplished through comprehensive stakeholder awareness programs (or processes), six of which were studied during this research effort.

Four of the six programs studied produce two-way communication between AFMC and the operational MAJCOM's functional areas. These apparent links enable the users (the operational MAJCOMs) to provide input indirectly into AFMC's strategic planning process through a process of cross-fertilization; that is, AFMC's Mission Element and Command level strategic planning process includes AFMC personnel involved in the various stakeholder awareness programs studied.

The two programs which do not provide direct, two-way communication between AFMC and the operational MAJCOMs are the Commander's Operational Readiness Reviews (CORRs) and AFMC Modernization Planning. The first program, CORRs, provides feedback to the operational MAJCOMs on issues affecting weapon system sustainability; no formal mechanism exists in the CORRs process for AFMC to receive feedback from the users. But then that is not the purpose of CORRs. The CORR process serves to inform the AFMC Commander and the

respective MAJCOM commanders on sustainability issues, and to help promote open communication between the AFMC Commander and the operational MAJCOM commanders.

The second program, AFMC Modernization Planning, has not yet matured. Functional managers in AFMC and the operational MAJCOMs have been working from their own sheets of music, so to speak. In order for AFMC to perform its modernization planning, it needs an integrated Air Force (USAF) modernization plan, one which is fiscally constrained. Once a funding priority process is ironed out, and an integrated USAF modernization plan developed, the researchers expect a two-way communication to eventually grow between AFMC, MAJCOMs, and Air Staff functional disciplines. This will serve well to promote overall USAF modernization efforts initiated by Gen McPeak in his "Year of Equipping."

The ideal relationship would result in two-way communication between AFMC and the operational MAJCOMs, buffered by an Air Staff approved, fiscally constrained, integrated USAF modernization plan. The integrated USAF plan would set the priorities and serve as an input to AFMC's Modernization Planning. MAJCOM Mission Area Team (MAT) members could then serve as points of interface for questions, or coordination efforts necessary to support each MAJCOM's modernization efforts.

Thus, as far as the research question is concerned, the researchers concluded AFMC is using current business practices to produce maximum stakeholder involvement in its strategic planning process. Therefore, there are no "earth-shattering" lessons for AFMC to learn from this study, except that what they are currently doing is in sync with what the literature says they should be doing. However, the researchers do have several recommendations for consideration.

Recommendations

Several recommendations are provided based on interviews conducted with six of AFMC's SA program process owners. These recommendations are divided into two categories. Although they are not necessarily related to the initial purpose of this study, the researchers believed they needed to be addressed. The following sections address three recommendations for improvement and provide three recommendations for further study.

Recommendations for Improvement. First, the Technical Planning Integrated Product Teams (TPIPTs), and the AFMC Modernization Planning process need to be allowed to go through a full planning cycle before results are demanded. Discussions with both the TPIPTs and Air Force Modernization process owners indicated that results are being demanded before their planning process has been given the opportunity

to run its course. This has resulted in output that may be less than desired. For example, a process which takes two years needs to be given two years to produce useful results. Changes to planning cycles midstream, without any warning, may result in poor overall planning and weak results just to produce a plan, a document, or a briefing by the new deadline. Thus, the researchers recommend that both the TPIPTs and AFMC Modernization processes be given time to produce quality output within their normal planning cycles.

Secondly, some group must be tasked to identify the USAF's modernization priorities. Currently, based on our interviews, it seems that the USAF process of modernization budgeting is inadequate. Dividing up the projected USAF Modernization budget between MAJCOMs based primarily on past expenditures does not necessarily ensure that USAF's most crucial needs are met. One MAJCOM may have a need which does not receive funding due to their assigned budget ceiling; whereas, another MAJCOM may receive funding for a system which is clearly less critical to the overall national defense. Thus, the researchers recommend the Air Force designate a group to prioritize modernization efforts based on need versus available dollars. Otherwise, we may find out several years from now that we did not fund the systems we needed due to scarce defense dollars and inadequate strategic planning.

Finally, modernization process ownership must be established. Some office must be assigned the responsibility of modernization at the Air Staff level. Results of this study indicate that there has not been a lot of continuity at Air Staff level to make the decisions necessary to produce a fiscally constrained, fully justified USAF Modernization Plan. The researchers recommend an office be tasked as the primary facilitator for Air Force Modernization Planning. This will promote continuity and focus in the Air Force's modernization efforts.

Recommendations for Further Study. First, the researchers recommend further study in the area of prioritizing USAF and Department of Defense (DoD) modernization efforts. Both the DoD and the USAF should have a system in place which evaluates the importance of future needs and prioritizes them accordingly. Based on the interviews conducted during this research, this may not be the case. In fact, it seems that current methods for budgeting, or at least for projecting budgets for modernization planning, may be based solely on past expenditures. In this time of declining budgets, both the DoD and the USAF must prioritize their future needs based upon the most pressing projected future threats. To do otherwise could jeopardize the superiority of this country's current military forces and this nations future national security.

Secondly, in order to promote follow-on studies, the researchers recommend a study of the intricacies of strategic planning in one or more of AFMC's mission element boards (MEBs). In particular, the researchers believe the science and technology (S&T) MEB would provide researchers ample research topics. In-depth studies into the specific purpose of the S&T MEB could prove beneficial.

Finally, TPIPTs are another potential area of further research. These teams provide the concepts necessary to meet the needs of AFMC's customers, the operational MAJCOMs. This form of management of technology is relatively new to western industry. Therefore, it might also be beneficial to compare and contrast the efforts of the USAF management of technology to current practices in civilian industry.

Lessons Learned

During the process of performing this study, the researchers experienced many lessons which they hope to never repeat. Three of those lessons are described here to hopefully prevent others from learning them through the school of hard knocks.

First, if you plan to perform interviews and you plan to record them, make sure your tape recorder works properly before each interview. The researchers lost some valuable information during their pilot test due to the use of faulty

equipment. The remaining interviews were performed with two recorders to ensure accurate transcripts could be produced.

Secondly, select a designated location for each interview prior to the meeting. Preferably, choose a conference room or quiet area where you will not be interrupted. The researchers conducted several of their interviews in the interviewees office cubicle. For the most part this worked fine. However, noise from others in the vicinity interfered with the quality of the recordings.

Finally, keep an open mind. The researchers developed an opinion early on during this study related to one of the SA programs. This opinion could have affected the study had the researchers not realized their error. Thus, let the facts speak for themselves and do not jump to conclusions too early in a research study.

Summary

This chapter provided this study's conclusions, recommendations, and lessons learned. The conclusions and recommendations were based upon an in-depth review of literature and personal interviews conducted with AFMC's stakeholder awareness program process owners. Lessons learned were based upon the actual experience of performing this study. It is hoped that this study proves to be of some benefit to the Air Force, and future researchers interested in strategic planning.

Appendix A: Pre-Test

The following is a list of questions which are to be used to conduct interviews to complete thesis research in the next couple of weeks. Request you take a few minutes to review them and provide any comments which you believe will improve their quality. Return to: AFIT/LAA, WPAFB, OH 45433, Attn: Capt Coomer/Capt Moynihan; or place in one of their student mailboxes. Your cooperation in returning this pretest **NLT 12Jul94** will be greatly appreciated. Thank you in advance for your time and participation.

Background

We believe there are five "essential elements" which promote maximum involvement of stakeholders in any strategic planning process. The purpose of our research is to determine if these five elements are present in Air Force Materiel Command's (AFMC) programs which specifically address their customers, or external stakeholders.

The target population for our interviews are AFMC stakeholder awareness program process owners. Questions address each program's purpose; identify program customers or external stakeholders; determine the existence or nonexistence of our five elements of stakeholder involvement; and identify how external stakeholder's inputs are transferred to those involved in strategic planning.

Program Questions

1. What is the name of your program and what are its purposes?

2. What is your function in the program and how long have you been associated with it?

3. When, how, and why did your program come into existence?

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program, and how are they involved?

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

7. What do you do with your external stakeholders inputs; how are they used?

II. Interaction Policies

There are four modes for coping: inactive - ignore changes, business as usual; reactive - wait for something to happen and then react; interactive - active involvement; and proactive - try to predict changes.

8. Do you consider your program's style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive, and why?

III. CEO Involvement

9. What is the highest level of involvement in your program, what actions does that individual take, and what are the results?

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

11. How does that individual influence program members participation and approach to external stakeholders?

12. What effect does that individual have on the overall direction of your program?

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

14. What methods are used to ensure continuous improvement in your program?

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

Other

17. Who else in AFMC is involved in your program and what function do they serve?

18. How does feedback from your program's external stakeholders reach those personnel involved in AFMC's strategic planning process?

Pretest Comments:

Appendix B: Interview Questions

Background

Through an extensive review of pertinent literature, there surface five "essential elements" which promote maximum involvement of stakeholders in any strategic planning process. The purpose of our research is to determine if these five elements are present in Air Force Materiel Command's (AFMC's) programs which specifically address their customers, or external stakeholders.

The target population for our interviews are AFMC stakeholder awareness program process owners. Questions address each program's purpose; identify program customers or external stakeholders; determine the existence or nonexistence of the five elements of stakeholder involvement; and identify how external stakeholder's inputs are transferred to those involved in strategic planning.

Program Questions

1. What is the name of your program/process and what are its purposes?

2. What is your function in the program/process and how long have you been associated with it?

3. When, how, and why did your program/process come into existence?

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program/process, and how are they involved?

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you

communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

7. What do you do with your external stakeholders' inputs; how are they used?

II. Interaction Policies

There are four modes for coping: inactive - ignore changes, business as usual; reactive - wait for something to happen and then react; interactive - active involvement; and proactive - try to predict changes.

8. Do you consider your program's/process' style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive? Please explain.

III. CEO Involvement

9. What is the highest level of involvement in your program/process, what actions does that individual take, and what are the results?

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

11. How does that individual influence program/process members' participation and approach to external stakeholders?

12. What effect does that individual have on the overall direction of your program/process?

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

14. What methods are used to ensure continuous improvement in your program/process?

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

Other

17. Who else in AFMC is involved in your program/process and what function do they serve?

18. How does feedback from your program's/process' external stakeholders reach those personnel involved in AFMC's strategic planning process?

19. In your opinion, what kinds of problems is your program/process experiencing?

20. What recommendations do you have to improve your program's/process' success?

Additional Comments:

Appendix C: TPIPTs

Program Questions

1. What is the name of your program/process and what are its purposes?

It's not a program per se, it's more of a process. It's the technical planning process. We're the development planning division. Basically what the tech planning process does is plan for the Air Force of the future. In order to implement that, we have a team, an integrated product team called the technical planning integrated product team (TPIPT). That's how we fit in. It's a process, not a program. It's an IPT set up on a part-time basis. There's no office symbol on anybody's charts that says TPIPT. That's been one of their biggest short falls ... which I'll get into later.

2. What is your function in the program/process and how long have you been associated with it?

As is true with most of the folks in this building, I'm the MAJCOM headquarters facilitator. I don't own any of the people who work the process in the field. What we do here is we develop the process itself, put policy out to the field where we find things that need to apply to the entire command. For those processes that are already out there, we work process improvement. But primarily we're a process facilitator. The real work on TPIPTs is done in the XRs at the product centers.

"How long have you been associated with it?"

Since October, so about 8-10 months.

3. When, how, and why did your program/process come into existence?

OK, back in the very early '90s, '90 or '91, Systems Command came up with a concept of technology operations centers at each of the centers so you had kind of a center of excellence to look at technology planning for the future. The idea there was to have a central place for doing the

planning for current and future technology needs. Focusing the technology efforts to avoid duplication, enhance awareness, these kind of things that are out there. And it didn't work all that well, because each center had their technical operations center, and they had an office at the headquarters who was espousing policy in the way of "do good things and be fruitful" and offering very little more than that for support. So they tried to put some structure into it from an overall command stand point, but also tie it to Air Force modernization. As the technology operation centers, they were focused just on Materiel Command, at the time Systems Command. The whole purpose of the TPIPTs was now to get into the Air Force level for technology planning, modernization planning, and all that goes with it. And as such, the vision for the TPIPTs was to include the Air Staff, the operational MAJCOMs, all different parts of Materiel Command, and it looks really great on paper. TPIPTs as a theory in all this, came into being in 1992. And they developed a process on how to go through this annual planning cycle. And part way through the first cycle, we had a HORIZON briefing for the product management mission element board, and I was expected to brief TPIPTs, the process, the results to date. The process has not had a year to go through it's annual cycle and they were wanting results after the first cycle. And foolishly or otherwise I got up and said I'm here to brief but we're not done with the cycle yet and therefore there's nothing exciting to show you. Well the command's lust for metrics couldn't tolerate a cycle that goes beyond the HORIZON meeting date. You've got to have your results of the annual cycle when we have our briefing. Well the cycle was off by about 6 months. We had just gotten into the process and it was still spring time. The first products, the mission area plans which are done by the MAJCOMs were due out end of July on a perfect schedule. The development plans are due out end of September on a perfect schedule. My briefing was in April. So, in April, as far as metrics, I had nothing to show in the way of a paper document I could hold up to the crowd and say this is a development plan, this is the mission area plan, this is our customer satisfaction metrics that show how well we're doing in building all these products. We had no products, and basically I was booed off the stage. They said come back here at the very next mission element board which is in about 30 days and tell us the story again, show some improvement. So 30 days later I go in and now it's May, I'm still waiting for July's mission area plans, and September's development plans, etc., and basically took a rubber hosing again. At that point, one of the unnamed center commanders who lives over here basically said the

headquarters isn't working the process, we will take it over. I basically said, "sir if you can pull this thing off better than me, have July data available in April and September data available in May, have at it." So we formed another in our infinite series of integrated product teams at ASC primarily, but pulling again from across centers and headquarters to try and look at why the process didn't produce results in April when we were expecting them in September. We've got an annual cycle. It's a good cycle. It's a good process that leads to that cycle. You start out with the MAJCOMs going through the strategy to tasks ... need to concept and all that goes with it. And that cycle even to date has never been given a chance to go through from start to finish. I don't know if you've ever seen Gen Kent's paper on the strategy to task. It basically says if you start at the top level and look what the national strategy and therefore the defense strategy is; that's broken down into mission areas for the Air Force. So basically you're looking at what the national strategy tells me to do is broken down into individual tasks that I need to do in the Air Force to carry out and execute that national strategy. I break those big strategies down into mission areas, so I do airplane things, and I do missile things, etc. Air Force Manual 1-1 breaks it, breaks basically everything the Air Force does down into the mission areas. And we've stayed pretty close to that in the TPIPT process as far as the number of mission areas and what their names are. Once you know what your tasks are then you've defined your mission area. The mission area assessment says here's what I'm expected to do. Mission needs analysis comes next. And I take a look at all the tasks that fit into my bucket of neat things to do based on the strategy to task effort. And now I find out what shortfalls do I have in being able to carry out those tasks. And then also, if I've got a task to do now, and I've got a weapons systems to do it now, maybe there's a way to do it better. And therefore that becomes a need. So you're task to need, it's also referred to as task to deficiency, can either be something that I have to do that I can't do, or it can be something I have to do, I can do, but I could do it a whole lot better, or I could do it a lot cheaper, whatever. Once I've defined what my needs are based on mission deficiencies or opportunities to excel, I've now put all of this into an overall plan and we call that the mission area plan. The needs are then looked at in terms of ... OK, how can I address them? What concepts can I come up with to fix these needs or exploit these opportunities to do new things better or old things cheaper, or whatever. So I document that in the mission area plan. Now what we found in the first cycle, one we

didn't really complete, what we found in the second cycle, which we're in the process of completing right now, is that I came up with 100 bazillion really neat things that I could do in the way of concepts to satisfy the needs that are out there and make my strategy to task and everything beautiful. The money was not going to be available to do all those needs. We knew that. We knew that upfront. But we went through a process of integrating and prioritizing by mission area primarily. What we found out is some mission areas go across MAJCOMs. The MAJCOMs were given as part of the Air Force budgeting process for the POM years and for this exercise for well beyond the POM years, out 25 years, there own bogeys. So each MAJCOM was going to have so many dollars to consider theirs from now until the year 2020.

"So they were actually given a figure ..."

For planning purposes.

"But then they still came up with that many needs?"

Oh yeah.

"Did they fit within those guidelines?"

Absolutely not. To a command, no command said I've got too much money, I need to give some back. The other thing that we had in the way of prioritizing and integrating of all the needs, your POM years are set. You know how many dollars you can get through the POM. And we tried to say okay the Air Force investment account from the end of the POM which is 2001 out to 2020, we're going to take the investment account amount in 2001 and just straight-line it for 20 some odd years. Because in this day of declining efforts to think it's going to go up is crazy. Now when I say straight-line that's in terms of constant dollars. So if inflation goes crazy so does the budget. But even there, everybody was basically considering a $20 billion Air Force investment account. And they broke the 20 down by commands. So ACC got a percentage and AMC got a percentage, everybody got a percentage.

"What's the figure now?"

The investment account now is around $20 billion but I don't know if it's higher or a little bit lower. But it's on that magnitude. The bogeys that the guys came up with were based on historical spending from '72 to '94. What you looked at was from '72 to '94. They averaged the expenditures in each

of the MAJCOMs. And they built bands based on that history and they said okay from '72 to '94 the grand total for the USAF showed a negative 0.3 percent growth. What we had in '72 kept in terms of constant dollars was .3 percent less when I got out to '94. Now what they assumed, bless their hearts, is that from '72 to '94 with the slope of .3 percent negative that sounds almost constant. And they said, okay ACC your percent over this period averaged out to so many percent of the total budget. I don't remember all the percentage numbers. But AMC, Space, AETC, Special Ops, all the MAJCOMs totaling up 100 percent of the budget, were given constant numbers. Now we know in reality in '72 the Vietnam War ended, and budgets went down. Then we elected a Republican president who said defense spending is a good thing, let's go spend some money on defense. Budgets went up like crazy. Around 1990, late '80s, you had another trend in budgets that headed you back down. So what you've really got is wild swings in budgets, that when averaged over 22 years came out flat. Now the other thing, when I was at ICAF I did a paper on airplanes and I went back to WWII and came forward to the 1990 timeframe and looked at how the Air Force, Navy and everybody spent money on airplanes. And what you saw there was that you had a certain amount of money that was spent on fighters, and a certain amount of money that was spent on bombers. It was pretty much constant, just a little bit of ripple as you go over about 40-50 years. But what you saw in this, if this is the fighter and this is the bomber, back in here you had B-52s. And there's a big investment in those. And then maybe the Navy gets some stuff in the way of fighter bombers. And then you have the B-1s come up, then the B-2. And you had these big chunks of money that started then stopped very quickly, because the acquisition cycle was fairly quick and responsive back then. In 10 years time, once I decided to get out of basic development and go into EMD and production, 10-15 years I was starting and finishing a program. So my time constant was 10-15 years. And what you saw was the Navy get some money for a little while and then the budget would go blank here for the Air Force, the Navy would get their money, then the Air Force would get their money and they'd do another bomber. Fighters were the same thing. The Navy and the Air Force never spent money in big amounts at the same time. But because the time constant, again is 10-15 years, no sweat. Now if you look at where we're at in the environment of the '90s, late '80s and '90s and projecting out well into the future, when did the B-2s start, their development, getting ready for production? Okay, and we're into the '90s now. So, from the very early '80s you're doing development, in the early

'90s you're still doing development. Finally, in the mid-90s you begin production. I'm now projecting finishing my production on the B-2 after more than 20 years from the time I went into full scale development to final tail number is out on the ramp doing operational things. So if I was back here in WWII when I said the Air Force is going to build a bomber right now, we're going to call it the B-52, and right after WWII, a very few years after, I go into production and I start delivering airplanes in the '60s. I'm sorry, I finish delivering airplanes in the '60s. It's about 15 years. If I told you at the end of WWII, hey maybe you're gonna have to wait 'til '60 or so and then it will be your turn for big bucks. That's not a big deal. Fighters same thing. Air Force spends here, Navy spends here, we spend here, Navy spends here. That cycle is quick enough. But now if I'm at a certain date, I say okay we're going to flip a coin and if it's heads you get your service to fund something and if it's tails you wait 'til they're done. I just told you 20-30 years from now it's going to be your turn. That is not real popular when we started talking about the planning process. 'Cause now what we're looking at is when I go to integrate and prioritize I'm basically saying if we put you into the budget first, your friend over here is going to have to wait 20-30 years to get something. So, when we started prioritizing, and trying to keep everything into a bogey that fit into the budget, what we call fiscally constrained, everybody wanted more than their fair share of the budget. But beyond that, everybody said okay I will take my 10 percent, I will take my 20 percent, whatever my number is, but I want my years to be 2001 to 2010. I don't want my years to be 2010 to 2020. I want mine first. So what you had was a budget first that was too big when you integrated under the entire curve but also was too big up front. Now this was the first year that we got all the way to here through the integration and prioritization of the process. That was at Air Force level. What we found out was there's a lot of frustration out here when I say the dollars have a limited ceiling. The timing has to fit so that you keep a level funding; you can't have big surges in money that figure into, you know payback later. So everybody wants to be first. So the idea of prioritizing is great. But each MAJCOM was given equal priority. In others words, your bogey is based on 1972-1994 history; you will continue to have equal priority. If you look what happens from '70s to '90s, we bought bombers big time. We went through the B-1 program during that time, we went through the B-2 during that time. We had a couple of other false starts with the B-70 and whatever. But you're spending a lot of money on bombers. You look at fighters.

Okay I had the F-15, I had the F-16, I had the F-117 ... I had the F-22. All those programs are in there. Now I look at air lifters. The C-5 was just about done. And the C-141 was just about done in the '70s. Then I didn't do anything at all for a long time and now I'm doing the C-17 and I'm trying to spend a lot of money on C-17. But when I average from '70 to '90, I see that AFMC's expenditures and investment accounts were not as high as they want to be right now with the C-17. If I look at trainer aircraft for AETC, in the '50s and '60s I was buying the 37s and the 38s, but what have I done since then? Very little. I'm trying to get into the T-46 which had false starts and trying to get in to the T-1 and T-3, whatever the other numbers are right now. But there was not a big investment in trainers over that period. So a lot of the commands are saying we don't want to see the next 20 years based on the last 20 year's history. Our investment was heavy back in WWII, we want it to be heavy again because we have these needs that we've identified up here; we need to modernize and in order to do that I need heavy spending for a little while. Of course the folks who have had money for fighters and bombers, they think I've had money because I've deserved money. The idea of giving up ACC's budget to help out C-17 is unheard of. Why should I give up my part of the bogey when I've gotten used to this feeding frenzy of plentiful money. So that this part of the process, what we're doing with integration and the prioritizing has shown some ... growing pains is a polite way to put it. Once we get beyond that, then you go get into the actual POM process. What are we going to do in the way of modernization? Or, what kind of technology programs are we going to pursue? What kind of acquisition programs are we going to pursue? And we get into that business. And some of the programs will go in through the acquisition and end up being fielded weapon systems that MAJCOMs can use in the field. This entire process, as I've said, we've tried it 3 times. First time the process broke down because we didn't have everybody on board as a team. Second time, the process broke down because part way through everybody wanted to see the final results. And the third time it's breaking down because we've identified a whole lot of neat things to do in the way of Air Force modernization, it breaks the bank, we don't like the fact that it breaks the bank, and the initial thought was, well let's just go ask for more money. So we're going to have to make some hard decisions at the MAJCOM level and at the Air Staff level. One of the biggest hurdles we've got is the entire integration and prioritization process right now, is set up by MAJCOM. So if you represent MAJCOM One, and you represent MAJCOM Two,

the idea is your top priority is bigger than his top priority, or his top priority is bigger than your top priority. MAJCOMs don't have a way to deal with that. I've got my money, life is great. If you don't have enough, that's too bad. The Air Staff to try to resolve the issue ... the requirements process and the modernization process is located in AF/XO. Now what you find there is when I try to prioritize across MAJCOMs, I immediately stumble into Air Force Reg 4-3. The MAJCOMs have 4 stars in charge and the XO has 3 stars in charge. Four always beats three. And the XO is in a position that historically has been promotable beyond 3 stars. So here you've got this 3 star who wants to go out and be a 4 star. He wants to run one of the MAJCOMs some day or perhaps one of the CINC positions. He's not going to tick off the guy who is going to recommend him to be hired as the next 4 star general. So the 3 star isn't going to tell any of the 4 stars your requirements are too much, your timing is too fast, etc. How we're going to get anything other than what's commonly referred to as the peanut butter approach for spreading the budget around ... the system doesn't know how to do that yet. What they tried to do initially is you just average from '70 to '90 'cause you're going back about 20 years and you're going forward about 20 years, that's why the 20. If we were going forward 40 they'd probably gone back to WWII or whatever. But the system didn't know how to handle wild swings in the budgets, so you get a 20 year period. So again ... they just peanut butter and pretend everything is smooth for 20 years and if it's smooth it's good enough for the next 20 years. In all of our history, and one of the famous guys that we're forced to read about at ICAF said you know those who fail to study history are bound to repeat it, or something close to that. Well, we've studied history and found it too tough to portray in a computer model or whatever. So we see these wildly swinging budgets; notice that the computer says they're flat over a 20 year period so that's good enough. We average it. Averaging, it's convenient. The Special Operations Command investment account for example is zero. Because for the last 20 years, the special ops world has gotten from special ops through their own budgeting process, and they get joint money to do special ops things. The Air Force has never had to invest in them, and therefore, we figured for the next 20 years it's the same problem, we're not going to invest in them. Well the special ops philosophy for the last many, many years is to take Air Force assets, reconfigure them to meet special ops requirements, and go play with them. Well, the Air Force assets are getting very old, and we're going to buy new assets in limited quantities so there's not going to be

enough to go around to give extra airplanes to the special ops guys. So, we're having to wrestle with, okay whose budget do we take from to give them some money. Those big issues, I won't say at this point as insurmountable, but they definitely need to be worked. For now they seem to fall into the too hard to do category.. And what I've seen in this process is when things get into the too hard to do category, you just don't do them. If I can't prioritize across MAJCOMs then I just assign dollars to MAJCOMs based on history and press on. We've got a process. It's been working for about 3 years. It's not working real well yet for two reasons: (1) It's never been given time and (2) a lot of tough decisions that for political reasons or survivability reasons people don't want to make. I took a whole lot of time to answer your question three but some of that is going to feed into some of the questions later on too.

"The disconnect between the POM and the actual MAP ... Aren't the MAJCOMs whittling their POM down to the bogey they've been given for a certain year?"

Yes, they are.

"But what you're saying is that they have more needs that really need to be met now versus what the other MAJCOMs have got."

Yes. They've all got more desires, more needs than they can afford with their budget, with their POM. It doesn't matter which MAJCOM you're talking about. They all have identified more needs than they can afford.

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program/process, and how are they involved?

We at headquarters have identified our stakeholders. Internal is anybody in command. Even if it's external from our 2-letter or the folks we work with on a day to day basis. So our external stakeholders, given that criteria, are external to the command. They are the MAJCOM requirements offices, the XRs, or DRs, or XPs at each of the MAJCOMs. And also the Air Staff XO. Those are our big customers, our external stakeholders if you will.

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

We communicate pretty regularly with the MAJCOM requirements offices, the DRs, XOs, SPs. At least monthly. Now that's from my standpoint. The guys in the field communicate with those folks on a much more regular basis. They're probably into the weekly if not daily contacts. And that's the very nature of the team. Your tech planning integrated product team includes membership from the operational MAJCOMs. Now if you're at the operational MAJCOM, you don't call the team the same thing. They call it the Mission Area Team (MAT), or the Mission Area Support Team. We call it TPIPTs (Technical Planning Integrated Product Teams). But if you look at the attendance on a TPIPT meeting or a MAT meeting, the same people are there. Here you get back into the ownership. If I've got a TPIPTs, that's an AFMC team. It's not an Air Force team, it's an AFMC team. If I've got a Mission Area Team, that's a MAJCOM team if you're talking from Air Mobility Command. It's not an Air Force team there either, it's just their MAJCOM team. The Air Staff hasn't taken all the players and lined them up against the wall and just shot them or beat them about the head and shoulders. So, we've still two separate names for the same team. Those teams, regardless of which title they're given, depending on where the meeting is taking place, meet on a regular basis, talk on a very regular basis.
"So, as far as what you said ... the Air Staff has no team ... they just participate in the MAT or TPITS."

Right.

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

When it's working, the electric mail has been a big help for us. It's broken this week. We have hot lines. We have a program directors' info net that's able to get to a lot of folks at the centers. It's a mail group already made up in

advance. You just type up the text and hand it to one of the project officers over here in XRM. You can get to a lot of folks that way very quickly. We also have a hot line that gets to all center commanders. The same thing. You type the text. They have an automatic distribution list. The telephone is one of our biggest allies and also one of our biggest enemies cause it eats a lot of time. We use to fax a great deal to get things back and forth. We have bi-weekly video teleconferences with our XRs, other teleconferences thrown in there besides that special one every two weeks. It works out that every week we've got some kind of a video teleconferencing going on. Face-to-face meetings. I would have face-to-face meetings on a bi-monthly basis with the center XRs. I get all the guys together and look at problems that go across the board. We don't have anything like a newsletter or a magazine.

7. What do you do with your external stakeholders' inputs; how are they used?

We collect the stakeholders inputs on a regular basis. Every 6 months we put out a survey. Four questions, the guys can make six questions out of them if they want to. We ask: how are we doing as far as are our products good, are they meeting your needs; is the process good, is it meeting your needs. And you break into the specific areas within that. What we look for when we get the stakeholders' surveys back are trends. If someone's come in with a really neat idea that is isolated to one location so far we can take that and spread it around as a best practice. Similarly if you come in with a really bad idea or a circumstance that blew up in our face, we share that information across the entire network. So that the guys get the best and the worst ideas out there to share and learn from. We've gone through two data points so far on the survey. The first time we sent out a survey, the feedback we got was predominantly negative. You promised to solve hunger and bring peace to the entire planet and here it's 6 months later and you haven't done it yet. What's wrong with your team. The second cycle we were getting rave reviews and lousy reviews, very little in between. Some of the folks were saying, I've heard this thing called a TPIPT, no one has called me to ask my input or my help. The reason for that is we know you, we don't want you; or we know you, we don't need you; or you shouldn't even be involved in this process anyway. Some of the rave reviews are saying this process almost worked this year. We see a great deal of

potential when we have a chance to finally go through the entire cycle one time next year, that this is going to be good. One of the things we're trying to do is take the politics out of the system. It used to be that the contractors and the program office would go into the MAJCOMs and advertise neat new things that they could do, sell the concept, get money for the budget. Or better yet, you could just short circuit that. Senator so and so or congressman so and so would send you money for neat things. Because it was going to be done in his district. What we're trying to do is in a fiscally constrained environment is come up with some way to prioritize, and I've already beat you to death with it; prioritization isn't easy because of the money is limited and the ideas are not. But we've got a process now where we're trying to put some discipline into the long term planning. That's never existed before. So, some of the folks who are visionary enough to see this say: this thing is going to work, it's going to do good things once we give it a chance. Other folks are saying: I haven't seen any results yet and therefore, you're obviously bad. We've had both kinds of reviews. Some of it like I said, the process doesn't need to be tweaked yet. It just needs to work the way it was designed. We recognize there have been some ideas where the timing for the different pieces of the process were wrong. It's like if I do all my planning and I know exactly what I want to do for the next 25 years and my input to the POM was due last month, your process didn't work. If I get up to the POM input and don't have enough time to do all the final adjustments, your process didn't work. So, we've had some minor adjustments that were made to the process for timing. And again, next year it's going to work a whole lot better as the result. But we don't have a lot of success related history.

II. Interaction Policies

There are four modes for coping: <u>inactive</u> - ignore changes, business as usual; <u>reactive</u> - wait for something to happen and then react; <u>interactive</u> - active involvement; and <u>proactive</u> - try to predict changes.

8. Do you consider your program's/process' style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive? Please explain.

When I looked at your choices of words, obviously inactive

is bad, proactive is good. I would say at the worker bee level we're up to interactive stage. We're actively talking to the right folks. We're dealing at the right levels. The problems that we see are opportunities that we see. The problem is the senior leadership tends to be proactive, and by that I mean they're taking actions before changes can take effect. They're taking actions before we even know what the changes are going to be. As I said before, we hadn't even got through the process one time and because we didn't have final data, the senior leadership immediately wanted to change the process because it wasn't working. The CSAF is getting ready to retire. We all know that. Because the cycle as we planned it ends in the end of September or the developments plans will be the end of September after which you build the POM and so forth. It's too late. He doesn't want to be retired CSAF. He wants to be current CSAF to review the final results of all our mission area plans. So we had to drop(what we were doing this summer and starting around late May to early June we put the USAF on hold to build a 4-star briefing to the CSAF to tell him how well our progress is going towards meeting the final desired output of mission area plans that are fiscally constrained and address the needs of the Air Force for the next 20-25 years. Well instead of working on the process, we're working on the briefing to show how we're working on the process. Now I know at your former assignments something like that would never happen. But at headquarters we seem to be doing that a lot. There's so much need, so much desire for metrics that you end up spending more time preparing the metrics than you doing the work that you measure ... The folks are impatient, they want results. First of all, if you look at the POM cycle, it's a two year cycle. Every two years you do a POM. On the off year you do a BES. So if the mission area planning process was going to feed the POM, which it should. How often do you think you need to go through your cycle? It's the same as the POM, every two years. It may be off by a few months off the POM cycle so that I'm done with this process and feed into the POM process. Well, every two years isn't good enough. We have to do this every year. Why? Because that way I get more data. More stuff to measure but also more stuff to do, more stuff to show the people, more people to show it to. That's been a major source for frustration. The guys know what the process needs to be. They know they have no way in the world of influencing the POM in a year when there is no POM. And yet we've been told this is going to be an annual cycle. Now also to get from the initial mission area assessment through mission needs, mission area planning, the science and technology kids building their budgets to go

build projects and assign money to them. That's more than an annual cycle because the MAJCOMs are trying to get through a POM cycle basically on an annual basis. When they're done with their mission area plans, the technology community can then take the needs identified and build technology programs. But if I say I've got to have all that done by the POM, then what you thought here was an annual cycle becomes less than annual because they've got to save room for these guys at the end. I would basically cram two years of neat ideas into one year because somebody wants it to be one year.

"I would think you'd want to extend the process so that the output would be something you could use for more than say several years ... so that you've got something that's stable for awhile versus something that changes."

Once we get through the process the first time, as the process was advertised, then we're going to have a plan that goes out 20-25 years. Updating it next year, it would take the Berlin Wall going back up or something equally dramatic, or the Soviet Union breaking up and being put back together now or something equally dramatic to really drastically change that 20 year plan, next year. Fifteen years from now you may see that the plan has drifted because priorities have shifted, or budgets have gone down up or down or whatever. But once you've gone through the entire process with rigorous analysis and thought and prioritizing and all that goes with it, every year it should require just a little bit of tweaking. But the POM, you build the POM for 6 years. Well next year your numbers for what was next year don't change drastically. You just work a little bit at the edges. Once this process is allowed to go from start to finish we could probably get it down to an annual cycle. But everybody wanted the first two-year cycle to be done in a year. That's just life in the headquarters.

III. CEO Involvement

9. What is the highest level of involvement in your program/process, what actions does that individual take, and what are the results?

We have personal input from CSAF, AFMC/CC, and the MAJCOM/CCs. So, basically if you're a 4 star you like our process or you hate our process, but you always have inputs in our process. I didn't put down the different two letters

that we also deal with, but I assume you wanted only the highest levels. What I've seen as far as their inputs basically without exception they all demand results. They all demand metrics. They all redirect our efforts prior to cycle completion. That's happened a few times now. They're all trying to force harmony among the diverse units we're dealing with. You know the MAJCOMs and the AFMCs, they're different animals. One is doing development, thinking long term. The other guys are trying to survive today. I've got airplanes on the ramp that aren't working. I've got airplanes on the ramp in too small of quantities or whatever. Our focuses are different and we're getting help at high levels from different backgrounds. We're getting too much help.

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

A little bit. The CSAF has been working through his Air Staff to get things done. Our 4 star (the AFMC/CC) has been trying to work a little bit with the chief (CSAF) on the process, but his main interaction has been through our MAJCOM Days working with the other MAJCOM 4 stars (MAJCOM/CCs). The MAJCOM Days is on a 6-month cycle and he works through them. Again, a 6-month cycle for a MAJCOM Days, an annual process or a two-year process are not compatible. We've had a lot of false starts, redirection, etc. because we had a MAJCOM Day the last time, this one you're not giving me final results obviously the process is broken, change it as follows. So the timing of the meetings influences us because right after a MAJCOM Day, or right after a HORIZON, or right after a briefing to CSAF. There's a lot more interest in our program than there was just before the briefing. You get wild shifts in enthusiasm.

11. How does that individual influence program/process members' participation and approach to external stakeholders?

The commander's (AFMC/CC) influence hasn't really been. He tells us to work the process, work with your counterparts. There's been no specifics on when to do it, how to do it, what to do. It's just, make sure you work with your counterparts ... in vague generalities.

12. What effect does that individual have on the overall direction of your program?

Not a whole lot of effect yet. It's more out of the Air Staff right now that we're getting our inputs. The feedback from the MAJCOMs, the feedback from the Air Staff into our 4-star has been very limited because they've been busy working the process. They haven't had time to go talk to a bunch of folks about how things are going.

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

The metric that we have it's a process that's not extremely easy to measure. If you take a lot of time doing careful up front planning in the process, the end is very easy. So the investment up front can save you a lot of time down stream. So at the half way point if you're not exactly half way, that's not necessarily a reason to panic. Now at the half way point, if you're not started, panic. The patience level of not knowing whether we're exactly half way at the half way point or two thirds or one third. We've avoided that kind of a metric because it's too hard to measure. It wouldn't be meaningful. If I get a piece of trash out on time, is that a successful process? That's where were coming from. To some extent we've been successful in avoiding that kind of a metric. What we have done instead is the customer satisfaction survey. Now the customer satisfaction surveys, as I've said before, have very specific questions. What we find is that the guys use that survey as an opportunity to voice opinions. And we get all kinds of data on good ideas, bad ideas, things to consider in the future. So it's more than just answering our questions. They're using that as an opportunity to share information. That's been working out pretty well for the two cycles that we've completed. It's administered every 6 months. We measure the satisfaction.

"And that goes to who, MAJCOM/DRs?

Yes. MAJCOMs XO, DR types. And they float it to the

different 3-letter or 4-letter offices in their house who deal with the process, for the external. On the internal side it goes to the center XRs or the equivalent duty title or office symbol. It goes to the laboratories. It goes to the different offices in the headquarters here.

14. What methods are used to ensure continuous improvement in your program/process?

(This question was not asked by the interviewer since it was answered previously in the reply to Question 13.)

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

To date it's been very difficult. My terminology, I said the golden rule applies. If the guy has got the gold, he makes the rules and you follow. The MAJCOMs have the money to go do modernization. Materiel Command gets the money they funnel to us through the POM process to go do a specific program or to go do technology or go do whatever. We don't drive the process, nor should we. Therefore, the competing entities, offices, whatever. The labs want a certain amount of the budget so they can do neat technology things. They saw at least initially our process as potentially threatening their existence. They were thinking that if a particular lab project was not specifically called out in the mission area plan their future was at risk. There are some things in the research world that you want to be looking at that may not yet fit into the MAP, but will some day. So there's been some trade offs done in that aspect. We're looking at spending about half the lab budget on the early research and the applied research. And we're looking at spending the other half on specifically applied research in the 6.3 budget area. Where now they're starting to tie those projects to the mission area plans. So about 50/50 is the way we've split up the budget there. That kept the laboratory, the science and technology community, fairly happy. The mission area plans themselves, like I said, the MAJCOMs among MAJCOMs are competing as stakeholders. MAJCOM One versus MAJCOM Two, rather than MAJCOM One working with MAJCOM Two to come up with a mutually agreeable solution. So, that's been the biggest hassle we've had so far.

"So really what's been driving you so far is the POM, the bogey in the POM?"

That's right. The money has been the main issue.

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

We really don't have any at this time. Like I said when the concept started, they had the technology operations centers at each center. And they were kind of the center of excellence. Because they weren't bringing in all the right folks, they ended up not being a center of excellence. And their task in life was changed. The TPIPTs are made up of a cross-section of folks across the Air Force. So there's not really a center of excellence there either. It's an integrated product team in the truest sense. We've got folks from across MAJCOMs, internal to our MAJCOM, all different walks of life, the program office, labs, XR, you name it. And there's no one pocket of expertise or a program office, whatever, to help us out.

Other

17. Who else in AFMC is involved in your program/process and what function do they serve?

(This question was not asked by the interviewer since it was answered previously in Question 16.)

18. How does feedback from your program's/process' external stakeholders reach those personnel involved in AFMC's strategic planning process?

Yes. We're going to be briefing at the mission element board this week. We just briefed at a HORIZON a couple of months ago, two months ago. So it's getting exposure.

19. In your opinion, what kinds of problems is your program/process experiencing?

I broke this into two categories. The first problem is

related to infancy. Trying to start through the process and getting part way through it, we experienced infant mortality. Basically, you've got something brand new and everybody wants it to be mature. The second problem I would relate to a puberty kind of thing. We've got over reaction to changes. You've got demand for immediate results. And the combination thereof leads to frustration of all the players. If that isn't puberty, I don't know what is. And it's primarily caused by the demand for immediate results. The metrics concept, Air Force metrics command. Not being willing to wait until something runs it's natural course before you want to see the final results, that's our biggest problem. Getting all the right folks to talk to each other, getting all the infinite number of projects to fit into an Air Force budget, those are easy compared to all the pressures put on us for immediate results.

20. What recommendations do you have to improve your program's/process' success?

If I ran the Air Force or the Department of Defense, I'd love to let the process work for a complete cycle before you go about making changes or stopping activity to access activity. I already mentioned, we've got a 4-star review going on right now to look at all the final results of the year and we haven't even done the final results of the year. Some of the document formats haven't even been agreed to yet. We're still working on these, and they want to see the final book. Basically it's a new process that's got a lot of possibilities. It hasn't been given a whole lot of time to mature. It's been going on for 3 years, I understand that. But not one of those 3 years was it given a chance to work.

Appendix D: WSPARs

Program Questions

1. What is the name of your program/process and what are its purposes?

Weapons System Program Assessment Reviews (WSPARs). They are the System Program Directors' (SPDs') or Single Managers' wartime assessment of its operational capability to do its mission. Actually, he does peacetime and wartime.

2. What is your function in the program/process and how long have you been associated with it?

I am the Headquarters AFMC process owner. I've been doing this for about a year and a half now. I receive the items from Air Staff because it is their process. As a matter of fact it's the Aif Force Vice Chief of Staff's process. I receive the guidance from Air Staff and send it to the single managers into the field for compliance.

3. When, how, and why did your program/process come into existence?

WSPARs have been done for a long long time, for at least 10 years. They came into existence to make sure we could do our mission, our wartime mission. It's a health assessment.

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program/process, and how are they involved?

Well, the primary stakeholder is the SPD. He is the one charged with the assessment of his system. He along with the MAJCOM. The using commands and the System Program Director do the WSPARs together as a coordinated effort and they take it to the Air Force Council through this headquarters.

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

I communicate with Air Staff on a daily basis regarding the WSPAR process, several times a day as a matter of fact. I don't deal with the MAJCOMs directly. The Weapons System Division technical experts are the ones who deal primarily with the single manager and with the MAJCOMs. I deal sometimes with the single manager shops, but primarily with Air Staff in getting their guidance.

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

All of the above except hot lines.

7. What do you do with your external stakeholders' inputs; how are they used?

We evaluate their inputs. As a matter of fact, Air Staff is sometimes very notorious for deciding to change or add something to the WSPAR, a particular slide on a particular subject and they fail to tell us or let us know. Direct feedback is usually what we get from the SPD and I take it directly to the Air Staff. Sometimes the feedback comes from the Director of AFMC/XR or the AFMC Commander (AFMC/CC), ... I have had SPDs call me personally.

II. Interaction Policies

There are four modes for coping: <u>inactive</u> - ignore changes, business as usual; <u>reactive</u> - wait for something to happen and then react; <u>interactive</u> - active involvement; and <u>proactive</u> - try to predict changes.

8. Do you consider your program's/process' style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive? Please explain.

We are interactive and proactive and reactive by virtue of the way the business goes. We don't like to be reactive, we like to be proactive and then interactive, but sometimes it

doesn't work that way. We developed written guidance on how a WSPAR should be done. It's updated with the new procedures formats. We are interactive by keeping communication lines open and updating each other on any changes. Either the AFMC/CC will want to see something or the Air Staff will decide on something new, new problem area.

III. CEO Involvement

9. What is the highest level of involvement in your program/process, what actions does that individual take, and what are the results?

The highest action is taken by the Air Force Council which is chaired by the Vice Chief of Staff and actions taken can include providing a program with more money or taking away money from a program.

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

The SPD directly briefs the Air Force Council. The SPD and the MAJCOM representative are directly briefed.

11. How does that individual influence program/process members' participation and approach to external stakeholders?

The Vice Chief owns the process and can do what he wants. He talks with the MAJCOMS and the AFMC/CC because not all of our programs are PEO (Program Executive Officer), many of our weapons systems are DAC (Designated Acquisition Commander). It's a really coordinated effort among the headquarters, single managers and other field activities who support the single manager, the MAJCOM, the PEO or DAC and the Air Staff in doing the process.

12. What effect does that individual have on the overall direction of your program/process?

He can kill a program if he likes.

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

We don't have a formalized process for measurement. We work directly with them or their staff in making sure they are satisfied. We have a WSPAR IPT (Integrated Product Team) which we form prior to a WSPAR. The WSPAR IPT consists of people from XRE, the XR technical expert for that particular program, FM, EN, LG, DO and anyone else who wants to be involved. The SPD provides his briefings to the IPT for them to take a look at and they make sure he's covered all the issues and update the SPD of any changes at the headquarters level. It's a review for consistency's sake. The feedback is daily.

14. What methods are used to ensure continuous improvement in your program/process?

The IPT is always looking at every single WSPAR, everything we do. We do pre-briefs to the XR and AFMC/CC to make sure they know what's going on during the whole WSPAR process. From Milestone I, where we start out the process, to Milestone IV, where the process ends, the Air Force Council briefings occur, the AFMC/XR and the AFMC/CC have been informed all along the line. The SPD, at the end of the Air Force Council briefing, will turn around and submit to us a point paper on the reaction of, or any actions that were taken or assigned during the Air Force Council, so we can run it back up to the AFMC/CC so he knows what is going on.

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

I really don't have any conflicts on that point. None of them vie for the same thing as far as I'm concerned. The only time that might be the particular case, it would always be handled by the AFMC/CC or higher.

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

XRE, because we do the pageants here. Programs such as MAJCOM Days, WSPARs, CORR have been centralized here. We have created and are continuing to improve the processes and the flow, streamlining.

Other

17. Who else in AFMC is involved in your program/process and what function do they serve?

All of the two letters serve as IPT members. The technical experts, the weapons systems division action officers within XR are key to a good WSPAR. They are the technical experts, they understand the programs, and they talk their language. We are more the icing on the cake.

18. How does feedback from your program's/process' external stakeholders reach those personnel involved in AFMC's strategic planning process?

All the two letters within the headquarters are invited to the AFMC/CC's WSPAR pre-brief and participate in the process. Quite often, the AFMC/CC will give direction at that point in time, on the spot to correct any deficiencies the SPD may have in his program or he will direct the two letters to take the lead and help the SPD solve his problems. It's on the spot feedback to the SPD. The Air Force Council briefing, which is the very last briefing, is the same thing. All along the way, the single manager, or SPD, has people helping him.

19. In your opinion, what kinds of problems is your program/process experiencing?

The process is so fluid, it is a set process, it is outlined, but the AFMC/CC and the Vice Chief, every single time there is a WSPAR briefing will decide they need more info, a new slide and that involves putting together a massive IPT or working group to come up with a process to find out the data they want.

20. What recommendations do you have to improve your program/process' success?

There are currently two other processes that I am working on but am not ready to discuss, ULTRA and SEMR (Sustainment Executive Management Report), that are very similar to the WSPAR. There are several things right now that the SPDs are doing: WSPARs, CORR, SEMR. All of these are health assessments of their programs and there predictability for the future years. I would like to see those combined. One of the problems is that the Vice Chief likes WSPARs. We anticipate that we can take the WSPARs and the JGLR, Joint Group Logistics Readiness, and combine those with SEMRs, which is done by HQ USAF. It's approximately 30-40 predictive indicators, it's a health assessment like the other. It is my goal, and we are working hard to try to combine them so the single manager or SPD does not have each individual program that he has to report on.

Appendix E: MAJCOM Days

Program Questions

1. What is the name of your program/process and what are its purposes?

The Major Command Day process. It's purpose is to promote a high level dialogue between AFMC and its primary customer commands. By customer commands, we mean the primary commands which operate military equipment in the Air Force. Essentially that dialogue consists of twice a year meetings with the commander of AFMC and the respective MAJCOM commander of ACC, AMC, Special Operations Command, AETC, Air Intelligence Agency and Air Force Space Command.

2. What is your function in the program/process and how long have you been associated with it?

My function is the process owner for MAJCOM days. We have defined a process guide and we've implemented that guide under a command policy letter or a letter of transmittal which was signed out by HQ AFMC/XR. My particular assumption of that responsibility as process owner dates back to August of 1993.

3. When, how, and why did your program/process come into existence?

Well, from what I've read in the background. Both AFLC and AFSC had a need; they were under the direction of the commander to set up a periodic meeting with that commander whether it be AFLC or AFSC, and the commanders of the other major commands, specifically the operating commands. This dates back, at least on the AFLC side that I know of, probably to the post-Vietnam era, so it goes way back.

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program/process, and how are they involved?

Well first of all, we have the benefit of having, at least up to this point, until they're actually physically reporting back to the major command headquarters. But we actually have liaison officers within those 6 major command

headquarters. I would consider them an external stakeholder in that they are our eyes and ears in the headquarters of the other commands as to how they like this process, what kind of agenda items we have to consider for MAJCOM Days, and how effective are we at working the issues that are surfaced through the MAJCOM Day process. We do have, from time to time, people within the MAJCOM headquarters that we work with on specific MAJCOM Days, either as facilitators for the meeting or as briefers. So, if we get a MAJCOM briefer for a MAJCOM Day, we consider them an external stakeholder in that they contribute to our process by developing a briefing and presenting it at the MAJCOM Day, whether they're part of AFMC or not. Well, specifically if they are representing the other commands, then we would consider them an external stakeholder. Anybody that basically briefs or develops a briefing for presentation at MAJCOM Days that doesn't belong to AFMC, I consider an external stakeholder. That can be someone from headquarters USAF, the PEO, somebody from their staff, LG, XO, or SAF/AQ.

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

Well specifically our liaison offices, when I personally am working a MAJCOM Day. And I do about 2 of these a year. I deal almost, well initially weekly, I deal with a liaison officer or I'll deal with what we call a MAJCOM point of contact who is a person who is in within either the XR, DR or the XO staff, depending on the command who is assigned responsibility of working with us to set up the MAJCOM Day. It starts about 150 days before the MAJCOM Day. Probably a kind of weekly call up to that point. Then obviously on a daily basis as we get closer to the MAJCOM Day itself.

"Then that liaison officer in the specific MAJCOM, he's coordinating all the details with the MAJCOM itself?"

With their field agencies. Actually the agenda topics themselves, the criticality of the issue, what the MAJCOM position is on it. It can be something as mundane as travel arrangements or actually identifying individuals to attend the MAJCOM Day. So it can be quite a broad list of things.

Anywhere from issue-oriented to actually administrative dealing with attendance or schedule, that sort of thing.

"But as far as folks in the other MAJCOMs, you would specifically deal with the liaison offices and not necessarily the other offices in that MAJCOM."

Sort of hit and miss. I think in the future we're going to have to rely more on the actual MAJCOM headquarters point of contact. Because I don't know if you're aware of this or not, but from a manpower standpoint our liaison officer vacancies or actually the slots themselves, the military 0-5, 0-6 slots and I think we have a couple 0-3 positions out there too...they are going to revert back to the MAJCOM. It wasn't because those liaisons were not effective. It was just a matter of the draw down. Especially in the area of 0-5 and 0-6 level positions. They wanted to make sure those slots were used for primary types of workload. I guess the history of the thing is that the MAJCOM staff was persuaded by us to give us a slot out of their hide to establish these liaison officer positions. So now they're saying we need these slots back to accommodate our people. The positions will revert back to the MAJCOMs and we won't have this liaison function any more. Then we will be dealing with the XR, DR or the XO, but then in ACC its DR, AETC its XO, AMC its XR.

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

Well any and all. Telephones, fax and e-mail usually. Video teleconference is kind of reserved for only preparatory events in the MAJCOM Day process when we actually have the Commander of AFMC reviewing the AFMC briefings that are to be given at the MAJCOM Days.

7. What do you do with your external stakeholders' inputs; how are they used?

Depending on what they...of course if I get an e-mail or a fax or a file transfer from them that is basically meant to be a part of the MAJCOM Day book, I will receive it, edit it, make comments on it, and actually after it's been reviewed by our IPT here for each MAJCOM Day, we will make sure it gets into the handouts for the preparatory

information we give to our senior staff members in preparation for the MAJCOM day.

II. Interaction Policies

There are four modes for coping: inactive - ignore changes, business as usual; reactive - wait for something to happen and then react; interactive - active involvement; and proactive - try to predict changes.

8. Do you consider your program's/process' style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive? Please explain.

There's some of that stuff we really have to slow roll because it's really not on our agenda. In spite, and I know the intent of your study, we do sometimes have an AFMC agenda that doesn't really match what the other MAJCOM is looking at. So we do have to soft peddle or ignore some of the issues that they bring up. It's a combination of all four of them. We try to be as proactive as we can. Or if they have an insurance policy, particularly where it comes to the event management aspects, they have fallback procedures established so if something doesn't show up, if something isn't available to us then we can always reconstruct the handout or the accommodations, the travel schedule, go to an alternative briefing medium. We try to do that as much as we can so we don't have to be reactive.

III. CEO Involvement

9. What is the highest level of involvement in your program/process, what actions does that individual take, and what are the results?

Well of course MAJCOM Days by definition involve the commander of AFMC and the commanders of the other operating commands. As far as individual actions, both of the commanders are involved in approving the agenda. They are involved in reviewing their respective command's briefings to make sure they are compliant with command policy. And also they want to know what we're briefing to the other commands so they can espouse our position. The results generally are either an agreement on the briefing, the subject of the briefing, proposals or action items. The

action item process, that's one of the big benefits of having a 4-star pageant in that you do get a directive or direction in the way of action items from the 4-stars to do certain things in response to these issue-oriented briefings, so that direction in itself is the benefit of the MAJCOM days, either direction to either do something or to accept the solution that was briefed in the briefing.

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

It isn't limited to MAJCOM Days. I'm sure that there is a lot of activity among 4-stars. Like not only in a scheduled mode (i.e., CORONA) but just a phone call away, or an irate message. I've been on the receiving end of some irate messages before from other MAJCOM commanders.

11. How does that individual influence program/process members' participation and approach to external stakeholders?

(This question was not asked.)

12. What effect does that individual have on the overall direction of your program/process?

(This question was not asked.)

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

This is I think an area we can improve in. We used to have a customer service reports. Now they were oriented towards MAJCOMs actually responding to a briefing on individual issues at a MAJCOM Day. We would send a report to them and they would send them back saying this is how we score you on responsiveness for this particular issue in this briefing. Normally the flow of things was that the product, the XR product division, XR, XRP, XRE, XRS, XRW would obtain this customer satisfaction report from the MAJCOM headquarters.

And we put it...it was actually included as part of the Top Priority program. But it's kind of fallen in this years because of the fact that we've got a specific process to cover the close-out of the Top Priority issue, on one hand, and we've also got an action item process which guarantees that the MAJCOM would have to sign off on closing the action item before it's forgotten about. So the idea of having something that's actually trying to measure the command satisfaction progress is really not that essential because you've got these other processes, if you will, that allow them to have leverage over us to get something done.

14. What methods are used to ensure continuous improvement in your program/process?

We have an IPT on-going to look at process improvements for MAJCOM days. Unfortunately, the direction of that or the slant of that is to reduce the manpower that's involved. But essentially, if you do it more effectively and efficiently, you will end up consuming less manpower. We know that the AFMC/CC is satisfied with the product, because he keeps listing MAJCOM Days as one of the things he likes. So that means he gets feedback from the other commanders that they like this venue to discuss their issues. But we're trying to do things that will allow us to stage a MAJCOM Day more easily than we do now because it's pretty paper intensive. For instance, we're looking at electronic file transfer.

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

Well, I guess I'd like to respond to that by saying that each MAJCOM has it's own personality. We don't try to force feed something on them that they don't really want. For instance, we have a Space Day process which is almost worked in a closed loop environment. We have one individual, now a second person is taking over that process, but it seems to be a person that needs to understand space and space systems to be able to work with those folks out in Colorado Springs. Where as the other commands seem to be quite interchangeable in terms of what we do to support a MAJCOM Day, we have to allow for these little eccentricities or things that they get used to ... I'm saying we tolerate that. I'm not saying we agree with it. From a MAJCOM Day process owner

standpoint, it's very frustrating. Because, I can't know, not because of security classification, what's going on with Space Day, because it's often different and it's not done strictly in accordance with my process guide. It follows its own format that it has traditionally, or ever since Space Command, I guess, started their function as a separate command back in '88. That's really the only conflict that we really have is the difference in personalities in terms of commands. Often rank rules. A couple of commands don't have 4-star commanders, so when we get a situation like that in terms of bumping or schedules or something like that...

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

I'm not sure on that particular question. We try to employ as much as possible the IPD philosophy, integrated product development philosophy. In terms of continuous process improvement, developing good communications between the customer and our MAJCOM day process, I don't know that we use any special programs.

Other

17. Who else in AFMC is involved in your program/process and what function do they serve?

Let me start with the IPT. We do request the other 2-letters, specifically LG, XP, EN, ST to be involved in any MAJCOM Day planning. They often provide input on the issues or they actually provide agenda items for us through their various staffing processes. We have counterpart level majors, captains, and GS-12/13s, that we work with from those 2-letters on our IPT efforts to stage a MAJCOM Day. Then of course, anybody, if any field organization or headquarters organization gets involved as a briefer, would actually be providing us not only copies of the briefing, but also staff papers on what their briefings are about, what the issues are. That's mainly the AFMC involvement.

18. How does feedback from your program's/process' external stakeholders reach those personnel involved in AFMC's strategic planning process?

"Does it reach them through HORIZONS?"

I'm sure it would. Strategic planning, also Technology Master Planning. We do often find that TPIPT briefings are the kind of briefings that are given at MAJCOM Days, that's why ST and EN are often involved in doing these briefings because they give MAJCOM updates on all of their 6.1, 6.2, 6.3 type projects, advanced research and development projects. Let's see, the strategic planning process, I'd say yes, that it would have to carry over into a different venue. If something came up in MAJCOM Day that involved some of our core command goals and objectives, something that we need to rethink, something of that nature, in terms of strategic planning, it would have to come up at a senior level conference like HORIZONS or CORONA. I don't recall specifically any action items that from MAJCOM Day that actually entered into that particular process. We have the right players at the meetings.

19. In your opinion, what kinds of problems is your program/process experiencing?

There is a perception that we are becoming too much of a pageant and not getting the true issues out on the table. The fact that we only hold them twice a year means that the real critical, time sensitive issues are not worked in this venue. They may be reported on after the fact, but we're not using it to work the near-term, highly sensitive issues that need fast action. What it seems to be oriented toward now is that it's just a venue by which two 4-stars get together and say yes, we are generally headed in the direction that you our customer wants us to head. It recognizes the accomplishments over the last six months, but there is basically nothing there in the way of decisions that we are forcing either of the two 4-stars to make. That's what I don't like about it. I wish that after all of our efforts that we had something with some substance.

20. What recommendations do you have to improve your program's/process' success?

I have a lot, but what I'm mainly concerned with is how do we stage the event without overburdening an already short staff situation in the headquarters and out at the Logistics and Product Centers. We cause a lot of people to do a lot of things to prepare for these MAJCOM Days. We have ideas that we're looking at to see if we really need so much preparation time as we do now. We start 5 months ahead of

time. Maybe we can stage a MAJCOM Day say within 90 days and do a better job at getting more current issues if we have a fast turn around on actually announcing the agenda and getting the briefings developed.

Appendix F: AFMC Modernization Planning

Program Questions

1. What is the name of your program/process and what are its purposes?

The whole program is modernization planning. The purpose is to try and identify the deficiencies for the future in the areas where AFMC needs to apply emphasis in process and products.

"Any kind of official name?"

No, we're just calling it AFMC Modernization Planning.

2. What is your function in the program/process and how long have you been associated with it?

I've been involved with this process for about one year. My function is to gather the inputs from the other two-letters in order to consolidate them into an AFMC integrated modernization plan.

3. When, how, and why did your program/process come into existence?

The main driver of this process was CSAF's "Year of Equipping" ... that's primarily what drove it. The whole process is based on the ACC strategy-to-task philosophy to planning and our input started back in ... I believe March of '93.

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program/process, and how are they involved?

Okay, right now for AFMC the external stakeholders would be the other MAJCOMs, the Chief of Staff. As a participant in this process, they haven't been. Not in this first round. They're more of the ... they generate the inputs into what

we're going to do through their mission area plans (MAPs). But ultimately they're the final stakeholder because what we do affects their mission area plans.

"So do you think they'll get greater involved as this process improves?"

Yeah, I think so. As we develop our process and we get the mission elements involved. There's TPIPTs out there, the technical planning integrated product teams. They're the ones who take the ideas to the MAJCOMs. They can also bring those ideas into us. So I think that's the interface with the MAJCOM is through the TPIPTs, because they represent the user as well as AFMC.

"How does the TPIPTs relate to your program? I mean as far as feeding information. What kind of information are you talking about?"

Well, they'll feed in the concepts that the users are developing for their MAPs. The mission elements can take those concepts and begin to develop what they need to do to meet that concept, develop that final concept. Like for instance, if the user wants a new type of aircraft that has to have a certain parameter, T&E (test and evaluation) needs to test it. So knowing that information, they can then begin to develop the test equipment that tests the procedures for insuring that their weapon system meets that parameter. So that's the input into the AFMC plan. It's basically through the mission area plans and through the TPIPTs, bringing those things back in to AFMC.

"So really your output is used to drive the strategic plan for AFMC long-range? Is it part of that?"

Well, it's part of that. It's probably a sub-plan to the strategic plan. The strategic plan will lay out the general guidance. These are more of the hardware buys. You know, what are we going to buy type things. Where do we want to invest our funds.

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

Never. We haven't been in contact really with the other MAJCOMs. And again, I think it's more of what the AFMC plan is for. You know, what we decide to develop hopefully has to meet their requirements. But whether we develop a process or a new piece of equipment, as long as it meets their requirements I don't think there's that big of a concern on their part. So we don't really interface or talk to them other than after we develop the plan. Then the mission elements will be talking to them. You know, the guy developing the things. T&E will be talking with the user. So from that point, yeah, they should be talking to them ... letting them know where they're going with their plans. But as far as the overall AFMC plan, we don't deal with the MAJCOMs directly.

"So as far as interaction policies those wouldn't really apply either?"

Right.

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

(This question was not asked by the interviewer due to the response to Question 5.)

7. What do you do with your external stakeholders' inputs; how are they used?

(This question was not asked by the interviewer due to the response to Question 5.)

II. Interaction Policies

There are four modes for coping: inactive - ignore changes, business as usual; reactive - wait for something to happen and then react; interactive - active involvement; and proactive - try to predict changes.

8. Do you consider your program's/process' style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive? Please explain.

(This question was not asked by the interviewer due to the response to Question 5.)

III. CEO Involvement

9. What is the highest level of involvement in your program/process, what actions does that individual take, and what are the results?

Yeah, the AFMC/CC is, when we did CORONA Fall he was very involved in it because it was his briefing. He drove a lot of what was in the plan. He also, from our discussions and the AFMC/XP's discussions is the driving force behind the chief (the CSAF) directing we do the physical constraints and prioritize these mission area plans into an Air Force plan. When the AFMC/CC went to CORONA Fall, he brought up the point: "If you want me to buy everything that everybody is asking for, triple my command. Then we can do it. Give us the entire national debt. We can do it." So he pointed out though that it's very unrealistic to take these mission area plans and for AFMC to modernize based on those. So his whole point was for us to modernize, we have to have something that's realistic, fiscally constraining ... for an AFMC position.

"Were there any decisions made there at the CORONA?"

Yes.

"Who would prioritize?"

No. No decision was made at that point. The decision that was made is that the MAJCOMs need to roll their

mission area plans into an integrated MAJCOM plan that's fiscally constrained. And then ...

"Based on resources they've been told they're gonna get?"

Right. And then from that we've developed then okay if we're going to do MAJCOMs then maybe we need to roll that up into an Air Force (level plan). So that's where we're at today. So that whole genesis started with the AFMC/CC's comments at the CORONA Fall.

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

He does through his MAJCOM days, through the CORONA meetings, and they are always talking about doing things better, modernizing. He does have a direct impact. How often they do that, he meets with each MAJCOM once a year. They have four CORONAs a year, I think it's four CORONAs a year.

11. How does that individual influence program/process members' participation and approach to external stakeholders?

"I don't guess this is something we really need to ask based on your previous responses."

Let me ask you, what do you mean by how does he influence the program/process members? You mean like ...

"How active is he in interacting with internal stakeholders based on his presence in the program or his involvement in the program or process? Does he have any preferences on who to take care of? Almost like his personal feelings; if he let's his own feelings get involved like, 'I like ACC better, so let's really take care of them'."

No. He doesn't do anything like that.

12. What effect does that individual have on the overall direction of your program/process?

"He's basically the leader of the command so that kind of answers that question, right?"

Yeah.

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

Okay. As this process develops, again, this is the first go-round. What we're trying to advocate and what we're trying to push is that the AFMC modernization plan is dependent on the Air Force integrated plan. Once we get that, we can use that and develop our next round of AFMC modernization planning. So we'll measure, or we'll look at how we're meeting those needs based on that integrated plan. What we develop as a result of that. And then we start measuring, are we meeting the customers needs? Are we meeting our own plan? That's more of a follow-on to this integrated plan. So we haven't gotten that far yet in the process. And to answer some of the other questions here. Do we have stakeholders feedback? Giving you an example. In the S&T community they have what they call an expanded MEB (mission element board), which has all the stakeholders involved. They're the ones that layout the program that the AFMC/ST takes forward for S&T. And then the feedback is, he takes forward the program, how does the program look when it comes back funded. Is it the same that he took forward or is there a re-ordering of priorities? In the overall modernization planning process there's other sub-processes: each mission element will be working within their mission element to ensure customer feedback.

14. What methods are used to ensure continuous improvement in your program/process?

(This question was not asked by the interviewer due to the response to Question 13.)

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

Which should not be a problem because if we come up with an integrated plan, that integrated plan we should be able to use without any problems. Now, that might not be the case. We may decide that we can afford to buy a new SOF (Special Operations Forces) plane and a new tanker for AMC. But, we may not be able to afford the test capability. So, then we have to make the decisions on who do you develop the tests for. I'm not sure how that's going to work. That shouldn't be a problem, but it might be, and then we'll have to get the users involved, all the stakeholders and make those decisions as to where we go.

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

None, other than TPIPTs. ASC is the lead for all the programs that fall under ASC. And likewise, ESC, HSC and SMC. If that's what you're getting at. Then those would be the centers of excellence. Because they have the folks for the TPIPTs, that lead the TPIPTs.

Other

17. Who else in AFMC is involved in your program/process and what function do they serve?

All the mission elements are involved. On my team I would consider the headquarters mission elements folks support the team, XR, LG, ST, TE and CE. And they're basically, I'm basically the integrator of their information. I do the front end of the plan, you know, the process. Then they bring forth their program. Then we integrate it into the AFMC plan. So, they're a big player. They generate their mission element's information.

18. How does feedback from your program's/process' external stakeholders reach those personnel involved in AFMC's strategic planning process?

For modernization planning, right now there's no feedback. We haven't gotten that far yet. We're still trying to figure out what our goal in life is. Hopefully, once we're done with this August meeting, we can relax and sit back and figure out really how we want to work the process, how everything fits together. Then, we'll get that integrated plan and then really start pushing for an update or a new AFMC modernization plan that's meaningful.

19. In your opinion, what kinds of problems is your program/process experiencing?

You want the wealth of them? One of the major problems I think is there's no ownership of it. There's no clear ownership. That's been a major problem. It's bounced between XOX, XOF, XOM, XOR, at the Air Staff. XOC had it for a short time. The rationale that Air Staff is using is to say that there is ownership is to say that XO owns it. Well, that's fine. XO owns the process, but XO who? When you go to XOX they've got one perspective, XOR has a separate perspective. XOF is another totally different perspective. In my mind, it's caused a lot of problems. One of the other problems is we have not allowed the process to mature. The CSAF is excelerating everything. Everybody has got an opinion as to why. But we went through CORONA Fall, we put together plans, everybody realized the plans were probably 60% solution to the process. But, as we develop and mature we look at the problems and then try to use lessons learned and figure out where we need to improve. But, now we've been forced into excelerating this whole thing. I don't know, I feel like we've taken a step back. I think all the MAJCOMs agree that the process is good. We need to let it develop and mature. It's the way the they feel the Air Force ought to plan on modernizing the Air Force. But if we force it too fast, people may say it's worthless and let's ditch the whole process. I think some of the fear's about this 4-star review; you may go in and the CSAF may say you guys haven't done the job and obviously the process can't do it. Let's go do something else.

"So each command has one of these 2015 plans?"

Yeah, 2020, 25 year plan. It's their mission area plan, and the whole goal is to look 25 years in the future and figure out where you're going to be and then work back and develop the new system. The process is flawed in my mind in some respects. If you focus on today in looking out 25 years, you focus on moding your systems and then replacing them when you have to, instead of looking 25 years out and saying what's the need out there and then working back to develop the new systems and forgetting about the current systems; let them take care of themselves. The CSAF is concerned about that too. He made the comment that the mission area plans had no revolutionary ideas. It's all let's mod this or let's build another fighter to replace the F-15. So we're missing a piece, a very important piece, in the whole process, it's the innovative thinking. That's a problem. As a matter of fact, there's another IPT that's developing how we insure revolutionary thinking in our requirements. That's an add-on to the mission area planning process.

"And that's done at what level?"

What do you mean at what level?

"Is that at each MAJCOM?"

Yeah it would be at each MAJCOM. Well, no, let me take that back. Let me tell you a little bit about that process, because it might tie in here. This came out of a conference last year, and based on CSAF's remarks that there's no innovative thinking in the mission area plans. So, the action item came to AFMC/XR to develop a process to insure revolutionary thinking tied to their requirements generators. That got passed on to ASC. The ASC/CC took it. He wanted it. He wanted to lead it. So, what we did is we looked at current processes that are out there and what's wrong with them and how can we do this...and looked at past history of revolutionary thinking in the Air Force, how do we do it, and what we've recommended, what we're going to recommend on the 20th (of July) to the AFMC/CC is that you have to develop a process that occurs every 6 to 8 years. What it does is, it focuses on what the future requirements are going to be and looking at revolutionary technology to meet those requirements...and then once you do that and identify those things you would like to pursue, then you roll that into the mission area plan process. Well, the AFMC/CC's idea is that it should be one process, and ultimately it will be one process. So we're taking that

forward to him (the AFMC/CC) on the 20th (of July) recommending that we establish this kind of sub-process to mission area planning. Then, every 6 to 8 years you form a study group to study technologies and future technologies.

"So that's not really like TPIPTs, but more like a brand new idea kind of thing that would then be used to help develop new technology and determine how much it's going to cost."

Right, but I'm not even sure you want to focus on cost. You want to focus on whether an idea is feasible. There is a process that's been developed by NASA. It's called the Horizons Mission Methodology and their only assumption is that any idea has to be physically possible, cannot violate the laws of physics. And if it doesn't violate the laws of physics then go for it. And what you try to do and there is you look at 30 to 40 years, or even 50 years. And you come up with a mission you don't currently do, probably you have no idea that you'll ever do it. You develop new missions and what kind of technology, what kind of system do you need? Then you back out. What kind of technologies do I need to develop to get there? And then you start to develop those technologies. You may end up there, you may not.

"What's that called again?"

Horizons Mission Methodology, and it was developed by, I think his name was Dr. John Anderson out of NASA. The study group we're recommending is Air Force, industry, academia pulling in sitting down. A big think tank. You may take 90 days, but you have the users involved too, 'cause the users have to tell you what their missions are going to be. Now, my problem with that is the users typically think literally from today on out, and what you need to do is jump from today to out here and skip everything in between. There's lots of complaints that users can't do that. Well that's not true. You need to find the right people. I think studies have shown that truly creative people, innovative or revolutionary thinking...there's only a hand full of people that can do it...a small percentage of people that can really do that. But, you can train them too. But, identifying those users that can do that; you want to find the ones that read a lot of science fiction books.

20. What recommendations do you have to improve your program's/process' success?

Let's see ... those are the major ones. We need to develop the ownership.

"Integrated planning?"

Yeah and that. That has to be done. I think the AFMC/CC would not accept anything less than an integrated plan that's fiscally constrained and realistic.

"It looks like to me, in a lot of this that a lot of this is actually being done down here at the AFMC level. The Air Staff for some reason or another is not as actively involved or saying, 'hey, that's something we need to do at our level and yeah we're going to take the stick and run with it.' Have you seen that, or is it just so new, the process is so new that it just hasn't matured to that level?"

Both. I wouldn't say AFMC, it's all the MAJCOMs have been trying to force the issues and Air Staff has definitely not taken responsibility in my mind for ownership of it. And my gosh, I go to a meeting and XOR was responsible for the process. They ran the meeting. The next week I call them up to ask them a question and they say well we're not doing it anymore, it's been turned over to XOC, so call this guy. You call him and he says, "no we don't really own it yet...it's still XORs." And it's still going on today. There is still no owner of the process. XOM, which is modeling and simulation, is leading the tiger team that is doing this integration and prioritization. It's their responsibility to make sure this gets done. Once it's done, they're out of the business. So now it's got to go to someone else.

"That's interesting 'cause you would think the people that are eventually going to be responsible for it would want to be involved in the development of it."

They're all there. They all sit in on the meetings. But none of them say anything. It's like the MAJCOMs, all the MAJCOMs are saying what about this, what about that? And they (the Air Staff) all sit there and don't say anything. I think it's going to end up in XOX. I think that's where it's gonna be ... and that's long-range planning, that's where it should be. But I ... it's still hasn't been directed where it should end up. Give us some time ... come

back next year and I'll bet you see a lot of progress has been made.

Appendix G: CORRs

Program Questions

1. What is the name of your program/process and what are its purposes?

This process is called Commander's Operational Readiness Review (COOR). It provides the AFMC/CC information about the sustainability and supportability of the warfighting capabilities. The center commanders decide which five topics to brief. The topics are mostly high level, like the C-5, or B-2.

2. What is your function in the program/process and how long have you been associated with it?

I am the process owner. I've been with the CORR process since November of 1993.

3. When, how, and why did your program/process come into existence?

It began in May of 1992, concerning the Desert Storm briefings. The AFMC/CC liked these quarterly sustainability and supportability briefings and decided to implement them at AFMC. He initiated the CORR process in AFMC.

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program/process, and how are they involved?

The operational MAJCOMS are the external stakeholders for this process.

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

We send the finalized letter about the latest CORR to the other MAJCOMS. That's the only communication I have with them.

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

I don't talk to any of the other commands. I do talk with the other Logistics Centers and Product Centers. I use the telephone, fax, and E-mail.

7. What do you do with your external stakeholders' inputs; how are they used?

(This question was not asked due to the response to Question 6.)

II. Interaction Policies

There are four modes for coping: <u>inactive</u> - ignore changes, business as usual; <u>reactive</u> - wait for something to happen and then react; <u>interactive</u> - active involvement; and <u>proactive</u> - try to predict changes.

8. Do you consider your program's/process' style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive? Please explain.

(This question was not asked due to the response to Question 6.)

III. CEO Involvement

9. What is the highest level of involvement in your program/process, what actions does that individual take, and what are the results?

The AFMC/CC is the highest level involved in this process. He chairs the CORR briefings.

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

He sends an updated letter to each MAJCOM once a month briefing them on the status of programs at a specific Product Center or Logistics Center. Recently, SMC had a CORR and he sent a letter to Gen Horner, Space Command Commander. After the Ogden CORR, we sent a letter to Gen Loh the Air Combat Command (ACC) Commander, and Gen Fogleman, the Air Mobility Command (AMC) Commander.

11. How does that individual influence program/process members' participation and approach to external stakeholders?

(This question was not asked due to the response to Question 10.)

12. What effect does that individual have on the overall direction of your program/process?

The present AFMC/CC started the CORR program and likes the process and the process has evolved under his direction -- his likes and dislikes. We continuously update our process guide.

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

(The interviewee did not have an answer for this question.)

14. What methods are used to ensure continuous improvement in your program/process?

We have an Integrated Product Team (IPT) with members from the Logistics Centers, Financial Management (FM), Engineers (EN). They all recommend any needed changes.

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

We act under the AFMC/CC's guidance.

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

I don't know of any specific center.

Other

17. Who else in AFMC is involved in your program/process and what function do they serve?

My IPT members: EN, XP, LG, and FM. They each represent their specific function.

18. How does feedback from your program/process' external stakeholders reach those personnel involved in AFMC's strategic planning process?

The AFMC/CC briefs the CORR process at HORIZONS.

19. In your opinion, what kinds of problems is your program/process experiencing?

We need to standardize the format for charts and briefing materials. We're doing that right now and that should help a lot.

20. What recommendations do you have to improve your program's/process' success?

I would like the center commanders or single managers to meet deadlines. When they don't meet deadlines we are responsible for filling in the information. Sometimes our

general does notify the single manager about a missed deadline.

Appendix H: Top Priority

Program Questions

1. What is the name of your program/process and what are its purposes?

Top Priority program...to keep our customers informed on where we're at on top priorities.

2. What is your function in the program/process and how long have you been associated with it?

Since December of 1993.

3. When, how, and why did your program/process come into existence?

I don't know all those answers. It was in existence before we became a command, (Air Force) Logistics Command had it.

Customers or External Stakeholders

4. Who do you consider the external stakeholders of your program/process, and how are they involved?

Air Combat Command, Air Mobility Command, Air Intelligence Agency, AFSOC, AETC, all MAJCOMs and Aero Tech (aero test community). Seven of them, and they designate what is the top priority in their eyes. That's how they get involved. They designate the priority items, then our involvement is we report monthly back to them on those items.

Five Essential Elements of Stakeholder Involvement

I. Communication Process for Multiple Stakeholders

5. In respect to your external stakeholders, who do you communicate with, and how often (daily, weekly, monthly, quarterly, etc..)?

I don't go to them per se. I go to the different divisions here who contact them. I go to XRA for ACC, XRB for AMC.

"Do these folks, the XRA, XRB, are they the folks here that handle the MAJCOM Days?"

No, well they work with the MAJCOMs, with the people setting up the MAJCOM Days. If we were gonna have an ACC MAJCOM day, there would be an officer in here setting it up who would work with those people.

"You are kind of a facilitator between all these groups?"

Right. By the 15th of every month they get the input on those items that are top priority and I put them together into the report.

6. What methods do you use to communicate with your external stakeholders (hot lines, telephone, fax, e-mail, video teleconference, meetings, newsletters, etc..)?

(This question was not asked due to the response to Question 5.)

7. What do you do with your external stakeholders' inputs; how are they used?

(This question was not asked due to the response to Question 5.)

II. Interaction Policies

There are four modes for coping: inactive - ignore changes, business as usual; reactive - wait for something to happen and then react; interactive - active involvement; and proactive - try to predict changes.

8. Do you consider your program's/process' style of interaction with respect to external stakeholders as inactive, reactive, interactive, or proactive? Please explain.

(This question was not asked due to the response to Question 5.)

III. CEO Involvement

9. What is the highest level of involvement in your program/process, what actions does that individual take, and what are the results?

The AFMC/XR is the highest level involved. He approves the report before it goes out. It goes out with his name on it.

10. Does that individual interact with your external stakeholders, and if so, how, when, and what are the results?

If he has a problem with what we've presented, he sends a note back and I go to that division. They straighten the report up.

11. How does that individual influence program/process members' participation and approach to external stakeholders?

(This question was not asked due to the response to Question 10.)

12. What effect does that individual have on the overall direction of your program?

(This question was not asked due to the response to Question 10.)

IV. Measurement Process

13. How do you measure your ability to meet your stakeholders needs (surveys, interviews, questionnaires, etc..), how often, and how do you use your stakeholder's feedback?

We send them a survey with a scale of 1-6 in four areas: communication, responsiveness, product acceptability, and overall satisfaction. We give them about a month to send back the report. The results from each command are put into a report together and I give the report to XRM who put together a metric report.

14. What methods are used to ensure continuous improvement in your program/process?

The AFMC/XR reviews the report. We review it. If there's no change, we put on it "no change". And if he doesn't like it, he comes back and says let's do something.

V. Multiple Stakeholder Strategies

15. How do you balance the needs of competing, or conflicting stakeholders?

That's up to the MAJCOMs. They designate which ones they want on the top priority list. We try to make them all equal if we can.

16. What special programs or centers of excellence provide support to one main or specific stakeholder?

I don't know of any.

Other

17. Who else in AFMC is involved in your program/process and what function do they serve?

XRJ, XRT, XTA, XRB, XRS, then I have one input from DO. That's the one from the test community, AFOTEC.

18. How does feedback from your program's/process' external stakeholders reach those personnel involved in AFMC's strategic planning process?

They'll be briefed during HORIZONS or they will be briefed at MAJCOM Days. Each MAJCOM Day, that MAJCOM's priorities will be discussed. The action officer for a particular MAJCOM Day will come and ask for a copy of the Top Priority list.

19. In your opinion, what kinds of problems is your program/process experiencing?

My biggest one is getting coordinated through all the divisions.

20. **What recommendations do you have to improve your program/process' success?**

I don't have any.

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Vita

Captain David B. Coomer was born 28 September 1958 in Nashville, Tennessee. He is a 1976 graduate of John Overton High School, in Nashville, and a 1982 graduate of Middle Tennessee State University, in Murfreesboro, where he received a Bachelor of Science degree in Aerospace Technology. Prior to entering the Air Force, he was an employee of AVCO Aerostructures in Nashville, where he served as a Configuration Management Analyst, and Lead Coordinator on the B-1, C-5, C-130, Space Shuttle, and BAe-146 programs. In 1985, he entered the Air Force, receiving a commission as a second lieutenant through Officer Training School. Upon completing the Munitions Officer's Course in Denver, Colorado, he was assigned to the 56th Tactical Training Wing, MacDill AFB, Florida. Other assignments have included the 51st Tactical Fighter Wing, Osan AB, Republic of Korea, and the 347th Fighter Wing, Moody AFB, Georgia. He has served in a number of key F-16 aircraft and munitions maintenance positions. A December 1991 graduate of Squadron Officer School, Captain Coomer entered the School of Systems and Logistics, Air Force Institute of Technology, in May 1993. Upon graduation, he will be assigned to the F-16 System Program Office, Wright-Patterson AFB, Ohio.

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REPORT DOCUMENTATION PAGE

Form Approved
OMB No. 0704-0188

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503.

1. AGENCY USE ONLY (Leave blank)	2. REPORT DATE	3. REPORT TYPE AND DATES COVERED
	September 1994	Master's Thesis

4. TITLE AND SUBTITLE
STRATEGIC PLANNING WITHIN AIR FORCE MATERIEL COMMAND: A FOCUS ON EXTERNAL STAKEHOLDERS' INVOLVEMENT

5. FUNDING NUMBERS

6. AUTHOR(S)
David B. Coomer, Captain, USAF
Mary E. Moynihan, Captain, USAF

7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES)
Air Force Institute of Technology,
WPAFB OH 45433-6583

8. PERFORMING ORGANIZATION REPORT NUMBER
AFIT/GLM/LAR/94S-8

9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)
HQ AFMC/XPV
Wright-Patterson AFB OH 45433

10. SPONSORING/MONITORING AGENCY REPORT NUMBER

11. SUPPLEMENTARY NOTES

12a. DISTRIBUTION/AVAILABILITY STATEMENT
Approved for public release; distribution unlimited

12b. DISTRIBUTION CODE

13. ABSTRACT (*Maximum 200 words*)

This research study used case and cross-case analyses to determine what Air Force Materiel Command can learn from leading business practices to produce maximum stakeholder involvement in their strategic planning process. A literature review revealed five "essential elements" of stakeholder involvement: establishment of communication processes for multiple stakeholders, appropriate interaction policies, active CEO involvement, measurement processes, and balanced stakeholder strategies. These elements were incorporated into a model to provide a benchmark against which to evaluate AFMC's stakeholder awareness programs. The six stakeholder awareness programs selected for study were identified through a process of interviews with AFMC's senior-level strategic planners. The process owners of each program were then interviewed to establish the use and existence of the five elements in their respective programs. Overall, no major changes are needed to increase stakeholder input in AFMC's strategic planning process. The essential elements of stakeholder involvement are present in the reviewed programs and enhance the Command's ability to solicit stakeholder input.

14. SUBJECT TERMS
Strategic Planning, Stakeholders, Planning, Management, Organizational Theory

15. NUMBER OF PAGES
172

16. PRICE CODE

17. SECURITY CLASSIFICATION OF REPORT	18. SECURITY CLASSIFICATION OF THIS PAGE	19. SECURITY CLASSIFICATION OF ABSTRACT	20. LIMITATION OF ABSTRACT
Unclassified	Unclassified	Unclassified	UL